

**CITY OF HAMILTON**

**CORPORATE SERVICES DEPARTMENT**  
**Financial Planning & Policy Division**

<b>TO:</b> Chair and Members Audit, Finance & Administration	<b>WARD(S) AFFECTED:</b> CITY WIDE
<b>COMMITTEE DATE:</b> October 4th, 2012	
<b>SUBJECT/REPORT NO:</b> 2011 Reserve Report (FCS12072) (City Wide)	
<b>SUBMITTED BY:</b> Roberto Rossini General Manager Finance & Corporate Services	<b>PREPARED BY:</b> John Di Battista 905-546-2424 ext 4371
<b>SIGNATURE:</b>	

**RECOMMENDATION**

That the 2011 Reserve Report and the 2011 Reserves Detail Report, with 2010 Comparative figures and 2012 Projections, attached as Appendix A to report FCS12072 be received;

**EXECUTIVE SUMMARY**

The purpose of this report is to present Council with a summary of the City's 2011 Reserves' Status and the 2011 Reserves Detail with 2010 Comparative figures and 2012 Projections and, if applicable, to recommend updated and/or consolidated policies through Council Report recommendations governing the use and limits of these reserves. The 2012 forecast is based on budgeted transfers to and from the reserves, as well as, other known requirements, anticipated income and investment activities.

Appendix A to report FCS12072 illustrates, on a per reserve basis, the overall reserve position for 2010 and 2011, as well as, the 2012 projection.

The City's Reserve position continues to ensure that the City remains in a strong net creditor financial position (as demonstrated by the City's "AA" Credit Rating) which provides us with the financial flexibility to address the Capital infrastructure needs.

Reserves, Obligatory Reserves and Reserve Funds at December 31, 2011, totalled \$782.0 million, a \$64.9 million or 9.1% increase over the 2010 balance of \$717.1 million.

The following Tables summarize the overall Reserve position and the 2011 activities which resulted in the 2011 increase in reserve balances:

<b>Overall Reserve Position</b>	Balance	Balance	Projected
	<u>Dec 31, 2010</u>	<u>Dec 31, 2011</u>	<u>Balance</u>
	\$	\$	<u>Dec 31, 2012</u>
Tax Supported Reserves	357,114,778	426,612,654	332,648,270
Rate Supported Reserves	173,097,636	176,759,508	175,196,188
Obligatory Reserves	113,913,291	105,160,116	96,942,846
Sub-total before FF	<b>644,125,705</b>	<b>708,532,278</b>	<b>604,787,304</b>
Reserve Funds-Future Fund	72,990,319	73,505,995	45,383,352
	<b>717,116,023</b>	<b>782,038,273</b>	<b>650,170,656</b>

### 2011 Actual

The overall Reserves increased by \$64.9 million or 9.1% from \$717.1 million in 2010 to \$782.0 million in 2011.

The increase is a result of the contributions to the reserve (\$269.6M) exceeding the funding from the reserves (\$204.7M) by \$64.9 million.

The following Table summarizes the 2011 reserve transactions by category:

<b>OVERALL RESERVE POSITION - 2011 ACTIVITY</b>		
		(\$ millions)
Balance at the beginning of the year - January 1, 2011		\$717.1
Add:	Interest Earned	\$19.8
	Collections\Recoveries	53.6
	Provision for Asset Replacement\Improvements	43.5
	Gas Tax Revenues	41.8
	Provincial Contributions	40.0
	Program & Corporate Surpluses	21.0
	Repayments of Internal Debt	17.6
	Fees\Donations\Sales\Recoveries	13.7
	Capital Gains	11.4
	Other Revenues	3.8
	Special Levy-Ward Specific Infrastructure Investment	3.4
		<u>269.6</u>
Less:	Capital Program Funding	(56.7)
	Capital Funding-Development Related	(73.1)
	Social Services' Initiatives	(23.4)
	To Operating Fund	(13.9)
	Land Purchases	(11.5)
	Vehicle & Equipment Funding	(10.6)
	Debt Repayment - DC's	(8.0)
	Program Phase-ins\Pilot Programs\Grants\Reviews	(5.3)
	Pan Am Games	(1.0)
	Program Deficits	(1.2)
		<u>(204.7)</u>
Balance at the end of the year - December 31, 2011		\$782.0

The following highlights some of the transactions which contributed to the increase in 2011.

Contributions to the Reserves (\$269.6M):

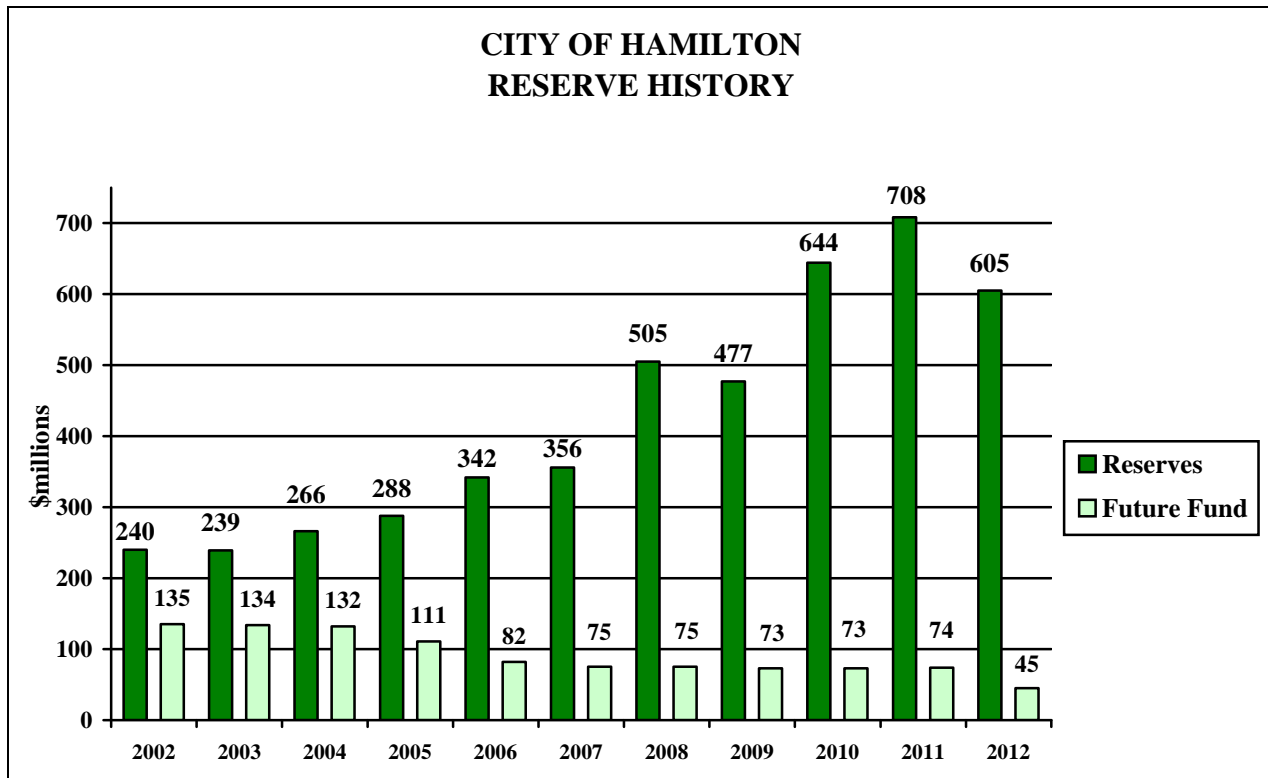
- \$53.6 million received for collections and recoveries consisting of Development Charge collections (\$49.5M) and Parkland Dedication fees (\$4.1M).
- \$43.5 million to provide for asset replacement and capital improvements; consisting of \$21.6 million for capital improvements and replacement and consisting of \$21.9 million for vehicle and equipment replacement.
- \$41.8 million received in Gas Tax revenues consisting of Provincial Gas Tax revenues (\$10.9M) and consisting of Federal Gas Tax Revenues (\$30.9M).
- \$40.0 million received in Provincial Contributions, primarily for the Pan Games Stadium (\$20M), for the 2009 OMPF reconciliation (\$8.2M) and for Social Housing renovations and retrofits (\$11.8M).

- \$31.2 million transferred to the reserves consisting of Interest and Capital Gains earned from the City's Investments.
- \$23.3 million transferred to reserves for program surpluses which consists of \$12.1 million for Tax Supported programs, consists of \$8.9 million for Rate Supported programs and consists of \$2.3 million for Obligatory Reserves. The Tax Supported Programs consist of Employee Related Services Program surpluses (\$4.8M), the overall Corporate Surplus which was reallocated in 2012 (\$4.1M), the Library Program Surplus (\$1.6M) and the Red Light Camera Program Surplus (\$1.1M). The Obligatory Reserve Surplus consists of Building Permit Department Surplus (\$2.3M).

Funding from Reserves (\$204.7M):

- \$129.8 million investment in the Capital Infrastructure Program from which \$73.1 million was invested in the development of new infrastructure. The remaining amount of \$56.7 million was used to fund the 2012 Tax & Rate Capital program (\$22.1M), the Investing in Ontario Grant projects (\$3.6M), and Gas Tax eligible projects (\$17.4M).
- \$23.4 million investment in improving Social Services, including repairs to Social Housing (\$19.6M), funds to reduce Best Start Child Care fee subsidy pressure, funding for Best Start initiatives (\$2.0M) and including funding for Social Services and Housing initiatives (\$1.6M).
- \$13.9 million transferred to the Operating Budget to mitigate the impact on the Tax and Rate Payers. Transfers include Provincial Gas Tax funding of Transit Services (\$5.6M), adjustments for Rate revenue variances (\$3.2M), funding for the administration of various programs (\$3.1M) and funding for Sick Leave payments (\$1.2M).
- \$11.5 million to fund land purchases. Land purchases include future Parkland (\$8.6M) and future Industrial Land (\$2.5M).
- \$10.6 million for the purchase of vehicles and equipment. Purchases include Police vehicles and equipment (\$2.1M), HES vehicles & equipment (\$2.5M), Central Garage vehicles and equipment (\$2.1M) and Transit equipment (\$1.7M).

The following graph shows a 10-year reserve history and 2012 reserve projections for the City of Hamilton:



## 2012 Projections

The following table summarizes the projected 2012 reserve activity compared to the 2011 actual activity by category:

<b>Comparison of 2011 and 2012 Reserve Balances</b>			
<b>(\$Millions)</b>			
	<b>2011</b>	<b>2012</b>	<b>Increase</b>
	<b>\$</b>	<b>\$</b>	<b>(Decrease)</b>
			<b>\$</b>
Opening Balance	717.1	782.0	64.9
Add:			
Interest Earned	19.8	18.7	(1.1)
Collections\Recoveries	53.6	67.2	13.6
Provision for Asset Replacement	43.5	28.5	(15.0)
Gas Tax Revenues	41.8	41.7	(0.1)
Provincial Contributions	40.0	3.1	(36.9)
Program & Corporate Surpluses	23.3	2.4	(20.9)
Repayments of Internal Debt	17.6	20.2	2.6
Fees\Donations\Sales\Recoveries	11.4	6.3	(5.1)
Capital Gains	11.4	1.5	(9.9)
Other Revenues	3.8	3.8	-
Special Levy-Ward Specific Infrastructure Investment	3.4	6.7	3.3
	<b>269.6</b>	<b>200.1</b>	<b>(69.5)</b>
Less:			
Capital Program Funding	(56.7)	(149.0)	92.3
Capital Funding-Development Related	(73.1)	(54.2)	(18.9)
Social Services	(23.4)	(10.9)	(12.5)
To Operating Fund	(13.9)	(16.6)	2.7
Land Purchases	(11.5)	(3.0)	(8.5)
Vehicle & Equipment Funding	(10.6)	(40.0)	29.4
Debt Repayment - DC's	(8.0)	(9.6)	1.6
Program Phase-ins\Pilot Programs\Grants\Reviews	(5.3)	(16.8)	11.5
Pan Am Games	(1.0)	(25.8)	24.8
Program Deficits	(1.2)	(0.5)	(0.7)
Ward Specific Infrastructure Improvements	-	(5.5)	5.5
	<b>(204.7)</b>	<b>(331.9)</b>	<b>127.2</b>
<b>Ending Balance</b>	<b>782.0</b>	<b>650.2</b>	<b>(131.8)</b>

The Overall Reserves are projected to decrease by \$131.8 million or 16.9% from \$782.0 million in 2011 to \$650.1 million in 2012.

The decrease is as a result of the projected funding from the reserves (\$331.9M) exceeding the projected contributions to the reserve (\$200.1M ) by \$131.4 million

Contributions to the Reserves(\$200.1M):

- \$67.2 million for Collections/Recoveries consisting of Development Charge Collections (\$65.7M) and 5% Parkland Dedication Fees (\$1.5M).

- \$41.7 million received in Provincial and Federal Gas Tax Revenues.
- \$28.5 million for the provision of future asset replacement such as Transit Vehicles, Police Vehicles and Heavy Equipment.
- \$20.2 million for the repayment of Debt borrowing from the reserves which includes repayment to the Future Fund (\$8.7M), repayment of Capital Advances (\$5.3M) and repayment for Development Charges funding shortfall (\$2.9M).
- \$20.2 million transferred to the reserves consisting of Interest and Capital Gains earned from the City's Investments.

Funding from Reserves(\$331.9M):

- \$203.2 million investment in the Capital Infrastructure Program. Projects funded from the reserves include the Red Hill Business Park (\$19.1M), the Unallocated Capital Levy Reserve (\$26.5M), Gas Tax funded projects (\$40.7M) and Development related Projects (\$54.2M).
- \$40.0 million for the replacement of Vehicles and Equipment, e.g., Transit related equipment (\$12.4M), Operational related equipment (\$9.7M), H.E.S. related equipment (\$5.8M) and the Computer related equipment (\$3.1M).
- \$16.8 million for Program Phase-ins/Pilot Programs/Grants/Reviews. Included in the category is a provision for the Phase-Out Provincial grant (\$2.0M), a provision for the Neighbourhood Strategy (\$2.0M) and a provision for the Basement Flooding Assistance Program (\$2.8M).
- \$16.6 million transfer to the Operating Fund to off-set the transit operating costs (\$11.0M), to recover the costs of administrative services (\$3.0M) and to fund sick leave payments(\$1.5M)
- \$10.9 million investment in improving Social Services including Social Housing initiatives and repairs (\$6.2M) and various Social and Best Start initiatives (\$3.0M).
- \$9.6 million from Development Charge reserves for debt repayment. Borrowings were used to fund DC eligible projects because there were insufficient funds in the DC Reserves. The debt is then repaid from future DC collections.

**Sustainability of Reserves**

The attached 2011 Reserves' Detail Report (Appendix "A" of report FCS12072) indicates whether the reserves are sustainable. Criteria used to determine sustainability is as follows:

- If the annual contributions are sufficient to off-set future requirements;
- If there are committed contributions to the reserve; and
- If there is a financial plan in place to ensure target levels are met and maintained.

The following table lists the individual reserves which are non-sustainable and provides an explanation of their status.

**2011 RESERVE REPORT  
EXPLANATION OF NON SUSTAINABLE PROJECTS**

Reserve Number	Reserve Name	Source of Funds	Non-sustainability Explanation	Progress Over 2010
<b>Vehicle &amp; Equipment Replacement Reserves</b>				
100034	Small Equipment Replacement -O & M	Contributions from Operating Fund	A reserve review based on the lifecycle requirements of the equipment was completed in 2009. The conclusions of the review suggest that unless the annual contribution is increased by \$164,000 (from \$56,000 to \$220,000) the future sustainability of this reserve will be at risk.	→
<b>Stabilization Reserves</b>				
110046	Tax Stabilization Reserve	Operating Budget Surpluses	To provide sufficient flexibility and protection for unforeseen events the reserve balance should be around 5% of tax revenues. Moving towards the minimum target of 5% is subject to the City's financial affordability.	↓
<b>Community Services Reserves</b>				
110044	OW Stabilization Reserve	Provincial Grant Payments Variances	To provide sufficient flexibility and protection against recession driven caseload increases. This reserve needs to have a financial plan in place to ensure there are sufficient funds in the reserve to offset any large fluctuations in the caseloads.	→
112218	Best Start Initiative	Provincial Best Start Funding (2005/06)	There are no committed contributions to this reserve.	↓
100036	Auchmar Estates - Repairs	Net rental revenues	This reserve does not have a financial plan in place to ensure there are sufficient funds for the \$4 million needed for repairs.	→
102015	Hamilton-Scourge Foundation	Provision from the year end surplus distribution.	This reserve does not have a financial plan in place to ensure there are sufficient funds in the reserve for its intended purpose.	→
<b>Employee Related Projects</b>				
112010	Provision for Deferred Pensions - D.I.P.	From the Operating Fund	Funding will be required for 2013 to fund future obligations	↓

Reserves which are set-up with limited funds to be used for a specific purpose are classified as one-time. These reserves will be closed once the funds are exhausted.



**Outstanding Liabilities**

The City provides certain employee benefits that require funding, in future years, which are currently estimated at \$289.0 million as of December 31<sup>st</sup>, 2011. The City has established reserves to provide for some of these liabilities while other amounts such as accrued vacation have been recorded as liabilities. These amounts total \$62.6 million, thus leaving net employee-related liabilities to be recovered in the future from either reserves or the operating fund at \$226.4 million.

These liabilities are only 21.6% funded (2010 – 21.3%) and currently there is no PSAB requirement to provide funding for the net unfunded liability portion of these employee benefits of \$226.4 million either from reserves or taxation. These unfunded liabilities can be funded, in future years, as amounts are expensed in the operating budget for actual payments.

The City owns and operates one open landfill and maintains twelve closed landfills. The open site is estimated to reach capacity and close in 2036. The estimated liability for future costs associated with the operational site and post-closure care of the closed sites is estimated at \$33.4 million.

Including the landfill site, total liabilities to be recovered, in the future, are estimated at \$259.8 million.

The following table summarizes the estimated future liabilities by category:

<b><u>Estimate of Outstanding Liabilities (\$ 000's)</u></b>		
	<b><u>2011</u></b>	<b><u>2010</u></b>
<b>Employee Benefits and Future Obligations:</b>	<b>\$</b>	<b>\$</b>
Sick Leave Benefit Plan	47,722	46,204
Long Term Disability Plan	15,148	13,677
Worker's Safety & Insurance Board Liabilities (WSIB)	62,904	57,153
Vacation Benefits	24,161	23,865
Retirement Benefits	124,834	123,283
Pension Benefit Plans	110,049	98,177
Pension Valuation Allowance	0	68
Net unamortized actuarial gain (Loss)	<b>(95,825)</b>	<b>(89,441)</b>
	<b>288,993</b>	<b>272,986</b>
Less:		
Provisions in Reserves and Balance Sheet	<b>(62,550)</b>	<b>(58,110)</b>
	<b>(62,550)</b>	<b>(58,110)</b>
Employee Related Liabilities to be recovered in the future	<b>226,443</b>	<b>214,876</b>
<b>Waste Management Facilities liabilities:</b>		
Open and Closed landfill sites	33,357	26,611
<b>Total Liabilities to be recovered in the future</b>	<b>259,800</b>	<b>241,487</b>

**Alternatives for Consideration** – Not Applicable.

**FINANCIAL / STAFFING / LEGAL IMPLICATIONS** (for Recommendation(s) only)

N/A.

**HISTORICAL BACKGROUND** (Chronology of events)**Importance of Reserves**

Prudent fiscal management of reserves is imperative. Reserves provide flexibility against uncertainties which inevitably arise in today's changing municipal environment. Over the years, the use of Hamilton's reserves has met several financial objectives. They have been used to moderate tax and rate increases, to fund or expand Hamilton's capital program and to reduce long-term debt. The appropriate use of reserves will reduce financial risks to taxpayers in the future. Further, maintaining reserves at adequate levels will provide the City of Hamilton with financial flexibility while forming a cornerstone of its' financial integrity.

**Credit Rating**

Responsible fiscal management translates into an ability to borrow in financial markets at attractive interest rates. The City of Hamilton currently has an AA (stable) long-term credit rating awarded by Standard and Poor's. The rating is due to the City's ongoing economic and financial improvement and its' respectable 2011 budget performance, profiling an operating surplus, a high liquidity and a relatively low debt burden, as measured by the ratio of net debt to operating revenues (which stood at 26.7% as of December 31, 2011). The City has been a strong net creditor in each of the past 10 years. Liquidity will likely remain strong, although the City's net creditor position should narrow notably as debt issuance increases.

Hamilton's AA rating is subject to the implementation of the ten year capital program. The ten year capital program estimated at \$3.3 billion may influence this rating depending on the amount and timing of debt issuance. The net debt is expected to peak at 55% to 65% of operating revenues by year end 2014.

Hamilton's capital expenditure program is aggressive but manageable assuming the economy of Ontario and the City remain stable. The majority of program expense is water, wastewater and roads infrastructure. Hamilton uses a number of strategies to fund its' capital program including cash from reserves, developer contributions, water rate increases, tax levy, debt issuance and funding from federal and provincial grants and subsidies (i.e., gas taxes).

**POLICY IMPLICATIONS**

Reserve Policies are listed in Appendix “A” to report FCS12072.

**RELEVANT CONSULTATION**

Staff from all City Departments, including staff from the Hamilton Police Service and Hamilton Public Library, have reviewed and provided information for the preparation of the 2011 Reserves Status Report and the 2011 Reserve Detail Report attached as Appendix “A” to report FCS12072.

**ANALYSIS / RATIONALE FOR RECOMMENDATION**

(include Performance Measurement/Benchmarking Data, if applicable)

**Reserve Activity and Projection by Category**

The Reserves are sub-divided into four major categories: Tax Supported Reserves, Rate Supported Reserves, Obligatory Reserves and Reserve Funds which consists of the Hamilton Future Fund.

This report will not address the Hamilton Future Fund Reserves as the status of these Reserves is presented to the Hamilton Future Fund Board and Council, on a more frequent basis, and it will not address the status of development charges as a separate Development Charge Reserve report is presented to Council annually.

The following information will summarize the 2011 activity and include 2012 projections for each reserve category. It will also highlight any significant changes to these reserves.

**TAX SUPPORTED RESERVES**

These reserves and reserve funds were established by Council to be used for specific purposes in specific programs. Included in these reserves are: stabilization reserves, replacement reserves, sick leave reserves, operating program reserves and capital reserves.

The following Schedule illustrates the reserve position for the overall Tax Supported Reserves:

<b><u>Tax Supported Reserves</u></b>	<b>Balance</b>	<b>Balance</b>	<b>Projected</b>
	<b><u>Dec 31, 2010</u></b>	<b><u>Dec 31, 2011</u></b>	<b><u>Dec 31, 2012</u></b>
	\$	\$	\$
Vehicle & Equipment Replacement	35,110,923	49,777,009	39,535,461
Capital Reserves	50,022,441	73,976,139	49,269,220
Employee Related Reserves	77,334,945	84,598,056	87,621,436
Insurance Reserves	201,851	0	0
Stabilization/Contingency Reserves	18,017,040	20,808,871	6,973,019
Operating,/Working Fund Reserves	45,264,548	57,888,509	52,531,475
Program Specific Reserves:			
Community Services	28,427,017	22,925,481	16,517,699
Public Health	224,915	267,485	274,172
Library Services	5,970,970	6,970,744	4,758,407
Planning & Development	40,629,045	49,037,307	27,014,866
H.E.C.F.I. Reserves	666,413	467,388	836,157
Police	6,984,164	5,826,561	3,343,685
Public Works	48,260,506	54,069,104	43,972,676
<b>Total Tax Supported Reserves</b>	<b>357,114,778</b>	<b>426,612,654</b>	<b>332,648,271</b>

**2011 Actual**

The following Table provides an overview of the activity in these reserves for 2011:

TAX SUPPORTED RESERVES - 2011 ACTIVITY		
	(\$ millions)	
Balance at the beginning of the year - January 1, 2011		\$357.1
Add: Interest Earned	9.6	
Provision For Asset Replacement\Capital Program	43.5	
Provincial Contributions	40.0	
Program Surpluses	12.1	
Capital Gains	11.4	
Donations\Dividends\Sale Of Assets\Fees	11.0	
Repayments of Internal Debt	6.7	
Other Revenues	3.6	
Special Levy-Ward Specific Infrastructure Investment	<u>3.6</u>	141.5
Less: Capital Program Funding	(25.3)	
Vehicle & Equipment Funding	(8.8)	
Program Phase-ins\Pilot Programs\Grants	(5.2)	
To Operating Budget	(5.1)	
Social Services & Housing Investments	(23.4)	
Property Purchases	(3.0)	
Program Deficits	<u>(1.2)</u>	(72.0)
Balance at the end of the year - December 31, 2010		<u>\$426.6</u>

The Tax Supported Reserves increased by \$69.5 million or 19.5% from \$357.1 million in 2010 to \$426.6 million in 2011.

The increase is a result of the contributions to the reserve (\$141.5M) exceeding the funding from the reserves (\$72.0M) by \$69.5 million. The following highlights some of the transactions which contributed to the increase in 2011.

Contributions to the Reserves (\$141.5M):

- \$43.5 million to provide for asset replacement and capital improvements consisting of \$21.6 million for capital improvements and replacement and consisting of \$21.9 million for vehicle and equipment replacement.
- \$40.0 million received in Provincial Contributions, primarily for the Pan Games Stadium (\$20M), for the 2009 OMPF reconciliation (\$8.2M) and for Social Housing renovations and retrofits (\$11.8M).
- \$21.0 million transferred to the reserves consisting of Interest and Capital Gains earned from the City's Investments.

- \$12.1 million transferred to reserves for program surpluses consisting of Employee Related Services Program surpluses (\$4.8M), the overall Corporate Surplus which was reallocated in 2012 (\$4.1M), the Library Program Surplus (\$1.6M) and the Red Light Camera Program Surplus (\$1.1M).
- \$11.0 million transferred to reserves consisting of energy rebated, land sales, fees donations and various recoveries.

Funding from Reserves (\$72.0M):

- \$25.3 million investment in the Capital Infrastructure Program consisting of funding for the 2012 Tax Capital program (\$14.2M), Investing in Ontario Grant projects (\$3.6M), and other capital initiatives, e.g., the Lister Block, Red Hill Business Park Project and Council Strategic Initiatives.
- \$23.4 million investment in improving Social Services including repairs to Social Housing (\$19.6M), to reduce Best Start Child Care fee subsidy pressure and Best Start initiatives (\$2.0M) and Social Services and Housing initiatives (\$1.6M).
- \$8.8 million for the purchase of Vehicles and Equipment including Police vehicles and equipment (\$2.1M), HES vehicles & equipment (\$2.5M) and Central Garage vehicles and equipment (\$2.1M).
- \$5.1 million transferred to the Operating Budget to mitigate the impact on the Tax Payers. Transfers include funding for the administration of various programs (\$3.1M) and include funding for Sick Leave payments (\$1.2M).
- \$2.9 million to fund land purchases for future business parks (\$2.5M) and to fund purchases of future parkland (\$0.4M).

**2012 Projections**

The following Table summarizes the projected 2012 reserve balances compared to the 2011 actual balances:

<b>Comparison of 2011 and 2012 Reserve Balances</b>				
<b>(\$Millions)</b>				
		<b>2011</b>	<b>Projected</b>	<b>Increase</b>
		<b>\$</b>	<b>\$</b>	<b>(Decrease)</b>
				<b>\$</b>
	Opening Balance	357.1	426.6	69.5
Add:	Interest Earned	9.6	9.3	(0.3)
	Provision for Asset Replacement	43.5	28.5	(15.0)
	Provincial Contributions	40.0	3.1	(36.9)
	Program & Corporate Surpluses	12.1	2.4	(9.7)
	Repayments of Internal Debt	6.7	7.2	0.5
	Fees\Donations\Sales\Recoveries	11.0	6.3	(4.7)
	Capital Gains	11.4	1.5	(9.9)
	Other Revenues	3.8	1.0	(2.8)
	Special Levy-Ward Specific Infrastructure Investment	3.4	6.7	3.3
		<b>141.5</b>	<b>66.0</b>	<b>(75.5)</b>
Less:	Capital Program Funding	(25.3)	(86.5)	61.2
	Social Services	(23.4)	(10.9)	(12.5)
	To Operating Fund	(5.1)	(5.6)	0.5
	Property Purchases	(3.0)	(2.5)	(0.5)
	Vehicle & Equipment Funding	(8.8)	(34.9)	26.1
				8.8
	Program Phase-ins\Pilot Programs\Grants\Reviews	(5.2)	(14.0)	
	Program Deficits	(1.2)	-	(1.2)
	Ward Specific Infrastructure Improvements	-	(5.5)	5.5
		<b>(72.0)</b>	<b>(159.9)</b>	<b>87.9</b>
	<b>Ending Balance</b>	<b>426.6</b>	<b>332.7</b>	<b>(93.9)</b>

The Tax Supported Reserves are projected to decrease by \$93.9 million or 22.0% from \$426.6 million in 2011 to \$332.7 million in 2012.

The decrease is as a result of the funding from reserves (\$159.9M) exceeding the contributions to the reserves (\$66.0M) by \$93.5 million. The following highlights the projected reserve transfers that will contribute to the reserves' to the projected decrease:

**Contributions to the Reserves (\$66.0M):**

- \$28.5 million to provide for asset replacement and capital improvements consisting of \$11.0 million for capital improvements and replacement and consisting of \$17.5 million for vehicle and equipment replacement.
- \$10.8 million transferred to the reserves consisting of interest and capital gains earned from the City's Investments.
- \$7.2 million for the repayment of debt primarily used to fund the capital program.
- \$6.3 million transferred to reserves consisting of energy rebated, land sales, fees donations and recoveries.

**Funding from Reserves (\$159.9M):**

- \$86.5 million investment in the capital infrastructure program. Projects funded from the reserves include the Red Hill Business Park Development, contribution towards the 2012 Tax Budget funding envelope and infrastructure improvements.
- \$34.9 million for the replacement of vehicles and equipment, e.g., Transit related equipment, Operational related equipment , H.E.S. vehicles and Police Vehicles.
- \$14.0 million to fund Program Phase-ins/Pilot Programs/Grants including funding for the Phase-Out of the Provincial grant related to Social Services discretionary spending, the Neighbourhood Strategy and a provision for 2012 Waste Contract increase.

**UTILITY RATE SUPPORTED RESERVES**

These Reserves were established to assist in the financing of major waterworks and sanitary sewer projects and are now being used as part of the Canadian Infrastructure Renewal Strategy.

These reserves are also used to front-end the Owners' Share of the cost of Local Improvement Act and Municipal Act Projects until such time as they are repaid by the Owner.

These Reserves are also used as working funds for the Rate program. As such, operating surpluses/deficits are transferred to or financed from this reserve.



The following Table illustrates the reserve position for the Utility Rate Supported Reserves:

	<u>Balance</u> <u>Dec 31, 2010</u> \$	<u>Balance</u> <u>Dec 31, 2011</u> \$	<u>Projected</u> <u>Balance</u> <u>Dec 31, 2012</u> \$
Utility Rate Supported Reserves	173,097,636	176,759,508	175,196,188

**2011 Actual**

The following table provides an overview of the activity in these reserves for 2011:

<b>Utility Rate Supported Reserves - 2011 Activity</b>			(in millions)
Balance at the beginning of the year - January 1, 2011			\$173.1
Add:	Interest Earned	4.4	
	Program Surpluses\From Operating	8.8	
	Repayments of Internal Debt	3.4	
	Donations\Dividends\Sale Of Assets\Fees	<u>0.5</u>	17.1
Less:	Capital Program Funding	(10.1)	
	To Operating Fund	(3.2)	
	Other Transfers	<u>(0.1)</u>	<u>(13.4)</u>
Balance at the end of the year - December 31, 2010			<u>\$176.8</u>

The Utility Rate Supported Reserves increased by \$3.7 million or 2.1% from \$173.1 million in 2010 to \$176.8 million in 2011.

The increase is as a result of the contributions to the reserve (\$17.1M) exceeding the funding from the reserves (\$13.4M) by \$3.7 million. The following highlights some of the transactions which contributed to the increase in 2011.

Contributions to the Reserves (\$17.1M):

- \$8.9 million in program surpluses transferred to the reserves.
- \$4.4 million transferred to the reserves consisting Interest from the City's Investments

- \$3.3 million debt repayment received from Development Charge collections to repay borrowings for D. C. shortfall funding.

Funding from Reserves(\$13.4M):

- \$10.1 million contribution towards the Rate Capital Program.
- \$3.2 million provision for the revenue variance adjustment.

**2012 Projections**

The following Table summarizes the projected 2012 reserve activity compared to the 2011 actual activity:

<b>Comparison of 2011 and 2012 Reserve Balances</b>			
	<b>2011</b>	<b>Projected 2012</b>	<b>Increase (Decrease)</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Opening Balance	173.1	176.8	3.7
Add:			
Interest Earned	4.4	4.3	(0.10)
Program Surpluses\From Operating Repayments of Internal Debt	8.8	-	(8.80)
From Operating Fund	3.4	3.4	-
Donations\Dividends\Sale Of Assets\Fees	-	2.8	2.80
	0.5	0.1	(0.40)
	<b>17.1</b>	<b>10.6</b>	<b>(6.5)</b>
Less:			
Capital Program Funding To Operating Budget	(10.1)	(7.0)	(3.10)
Program Phase-ins\Pilot Programs\Grants	(3.2)	(2.3)	(0.90)
Other Transfers	-	(2.8)	2.80
	(0.1)	(0.1)	-
	<b>(13.4)</b>	<b>(12.2)</b>	<b>(1.2)</b>
<b>Ending Balance</b>	<b>176.8</b>	<b>175.2</b>	<b>(1.6)</b>

The Utility Rate Supported Reserves are projected to decrease by \$1.6 million or 0.9% from \$176.8 million in 2011 to \$175.2 million in 2012.

The decrease is a result of the funding from reserves (\$12.2M) exceeding the contributions to the reserves (\$10.6M) by \$1.6 million. The following projected reserve transfers will contribute to the reserves' 2012 projected decrease:

Contributions to the Reserves (\$10.6M):

- \$4.3 million in investment income.
- \$3.4 million debt repayment received from Development Charge Collections to repay borrowings for D. C. shortfall funding.

- \$2.8 million provision for the revenue variance adjustment.

Funding from Reserves (\$12.2M):

- \$7.0 million investment in Water Treatment Plant Upgrades.
- \$2.8 million for Program Phase-ins\Pilot Programs\Grants\Reviews.
- \$2.3 million transfer to the Operating Fund for the Industrial/Commercial/Institutional Revenue Reduction- Phase in.

**OBLIGATORY RESERVE FUNDS**

Obligatory Reserve Funds are required to be created by statute and may be used only for the purpose prescribed for them. They include development charges, revenue in lieu of parkland, Federal and Provincial Gas Tax Revenues and Building Permit Revenues. It should be noted that, in the City’s Financial Statements, these funds are not reported as Reserves but as deferred revenues.

The following Table illustrates the reserve position for the Obligatory Reserve Funds:

	Balance Dec 31, 2010	Balance Dec 31, 2011	Projected Balance Dec 31, 2012
	\$	\$	\$
Planning & Development Reserve	7,425,251	9,891,590	9,626,919
Gas Tax Reserves (Federal & Provincial)	29,008,464	46,921,776	33,157,422
Parkland Dedication Reserves	10,054,269	10,392,455	10,782,686
Development Charge Reserves	66,412,892	39,408,096	43,914,292
Subdivider Contributions	1,012,414	-1,453,801	-538,474
	<u>113,913,291</u>	<u>105,160,117</u>	<u>96,942,845</u>

**2011 Actual**

The following Table provides an overview of the activity in these reserves for 2011:

<b>Obligatory Reserve Funds - 2013 Activity</b>		(in millions)
Balance at the beginning of the year - January 1, 2011		\$113.9
Add:	Interest Earned	2.6
	Collections\Recoveries	53.6
	Gas Tax Revenues (Federal & Provincial)	41.8
	Program Surpluses	2.3
	Repayments of Internal Debt	0.9
	Donations\Dividends\Sale Of Assets\Fees	0.1
		<u>101.3</u>
Less:	Capital Program Funding	(90.6)
	Debt Repayment-Development Charges To Operating Budget	(8.0)
	Property Purchases	(5.6)
	Vehicle & Equipment Funding	(4.1)
		<u>(1.7)</u>
Balance at the end of the year - December 31, 2010		\$105.2

The Obligatory reserves decreased by \$8.7 million or 7.6% from \$113.9 million in 2010 to \$105.2 million in 2011.

The increase is as a result of the contributions from the reserve exceeding the funding to the reserves by \$8.7 million. The following highlights some of the transactions which contributed to the increase in 2011.

Contributions to the Reserves(\$101.3M):

- \$53.6 million received in Development Charge Collections (\$49.5M) and 5% Parkland Dedication Fees (\$4.1M).
- \$41.8 million received in Gas Tax Revenues (Federal and Provincial).

Funding from Reserves(\$110.0M):

- \$90.6 million investment in the Capital Infrastructure Program. Projects funded from the reserves include Gas Tax funded projects (\$17.4M) and Development Funded Projects (\$73.2M).
- \$8.0 debt repayment from collections for borrowings to off-set DC Funding Shortfalls.

- \$5.6 million transfer to the transit operating fund.
- \$4.1 million to fund parkland purchases.

**2012 Projections**

The following Table summarizes the projected 2012 reserve balances compared to the 2011 actual balances:

<b>Comparison of 2011 and 2012 Reserve Balances</b>			
	<b>2011</b>	<b>2012</b>	<b>Increase (Decrease)</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Opening Balance	113.9	105.2	(8.7)
Add:			
Interest Earned	2.6	3.6	1.00
Collections\Recoveries	53.6	67.2	13.60
Gas Tax Revenues	41.8	41.6	(0.20)
Repayments of Internal Debt	0.9	0.9	-
Program Surpluses	2.3	-	(2.30)
Donations\Dividends\Sale Of Assets\Fees	0.1	-	(0.10)
	<b>101.3</b>	<b>113.3</b>	<b>12.0</b>
Less:			
Capital Program Funding	(90.6)	(94.9)	4.30
To Operating Budget	(5.6)	(11.0)	5.40
Debt Repayment-Development Charges	(8.0)	(9.6)	1.60
Vehicle & Equipment Funding	(1.7)	(5.1)	
Property Purchases	(4.1)	(0.5)	(3.60)
Program Deficits	-	(0.5)	
	<b>(110.0)</b>	<b>(121.6)</b>	<b>7.7</b>
<b>Ending Balance</b>	<b>105.2</b>	<b>96.9</b>	<b>(4.4)</b>

The Obligatory reserves are projected to decrease by \$8.3 million or 7.9% from \$105.2 million to \$96.9 million in 2012.

The decrease is as a result of the funding from reserves (\$121.6M) exceeding the contributions to the reserves (\$113.3M) by \$8.3 million. The following projected reserve transfers will contribute to the reserves' 2012 projected decrease:

Contributions to the Reserves (\$113.3M):

- \$67.2 million in collections and recoveries consisting of Development Charge Collections (\$65.7M) and 5% Parkland Dedication Fees (\$1.5M).

- 41.8 million received in Gas Tax revenues consisting of Provincial Gas Tax revenues (\$10.9M) and consisting of Federal Gas Tax Revenues (\$30.9M).

**Funding from Reserves(\$121.6M):**

- \$94.9 million investment in the Capital Infrastructure program. Projects funded from the reserves include Gas Tax funded projects (\$40.1M) and Development Related projects (\$54.2M).
- \$11.0 million provincial gas tax funding transferred to the Transit Operating Budget
- \$9.6 million debt repayment from collections for existing borrowings and projected borrowings to off-set DC Funding Shortfalls.

In accordance with the *Development Charges Act*, the City is required to prepare an annual report setting out, in detail, all revenues and use of the Development Charges Reserves. The Development Charge Reserve Report is submitted separately from this report.

**RESERVE FUNDS – Hamilton Future Fund**

A report is presented to the Hamilton Future Fund (HFF) Board of Governors and Council whenever the HFF Board convenes (approximately two or three times a year).

**ALTERNATIVES FOR CONSIDERATION**

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

This is an Information Report dealing primarily with historical information; therefore, this section is not applicable.

**CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)**

Focus Areas:

1. Skilled, Innovative and Respectful Organization,
2. Financial Sustainability,
3. Intergovernmental Relationships,
4. Growing Our Economy,
5. Social Development,
6. Environmental Stewardship,
7. Healthy Community

**Healthy Community**

Community Well-Being is enhanced through improved financial sustainability.

**Environmental Stewardship**

A sound financial position assists the municipality in addressing the environmental needs of the City.

**Financial Sustainability**

Prudent fiscal management of reserves is imperative. Reserves provide flexibility against uncertainties, which inevitably arise in today's changing municipal environment. Over the years, the use of Hamilton's reserves have met several financial objectives. They have been used to moderate tax and rate increases, to fund or expand Hamilton's capital program and to reduce long-term debt. The appropriate use of reserves will reduce financial risks to taxpayers in the future. Further, maintaining reserves at adequate levels will provide the City of Hamilton with financial flexibility while forming a cornerstone of its financial integrity.

**APPENDICES / SCHEDULES**

Appendix A - 2011 Reserves Detail Report with 2010 Comparative figures and 2012 Projections.



# 2011 Reserves - Detail Report

With 2010 Comparative figures  
and 2012 Projections

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***City of Hamilton  
71 Main St. West  
Hamilton, Ontario  
L8P 4Y5***



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RESERVE BALANCES**

	2010	2011	Projected 2012	Reserve Sustainable	
	\$	\$	\$		
<b><u>TAX - SUPPORTED RESERVES</u></b>					
<b><u>VEHICLE &amp; EQUIPMENT RESERVES</u></b>					
<b><u>Equipment Replacement Reserves</u></b>					
100031	Fire Equipment And Protective	13,263	317,357	305,563	Yes
100032	Radio Communication System-Upgrades	9,603	1,329,981	2,145,914	Yes
100033	EMS Equipment Reserves	576,031	975,538	466,855	Yes
100034	Small Equipment Replacement -O & M	213,447	277,406	273,741	No
108023	Information Technology Capital Reserve	(77,741)	499,806	524,950	Yes
110005	Hamilton Beach Rescue	97,364	219,130	246,105	Yes
110015	Computer Replacement Program	3,777,450	6,482,518	4,286,017	Yes
110035	Survey Equipment Replacement	25,259	50,889	77,790	Yes
110040	Equipment Replacement - PW	120,890	123,905	127,622	Yes
	<b>Sub-total Equipment Replacement Reserves</b>	<b>4,755,565</b>	<b>10,276,528</b>	<b>8,454,556</b>	
<b><u>Vehicle Replacement Reserves</u></b>					
110020	Vehicle Replacement - Police	862,059	986,395	924,637	Yes
110021	Vehicle Replacement - Fire	5,031,046	5,089,298	3,884,922	Yes
110022	Vehicle Replacement - Ambulance	2,056,586	2,129,575	1,887,054	Yes
110023	Vehicle Replacement - DARTS	4,204,485	5,574,206	4,990,200	Yes
110025	Vehicle Replacement - Central Garage	5,118,963	8,813,759	5,325,209	Yes
110030	Vehicle Replacement - Transit	13,082,217	16,907,248	14,068,884	Yes
	<b>Sub-total Vehicle Replacement Reserves</b>	<b>30,355,358</b>	<b>39,500,480</b>	<b>31,080,905</b>	
	<b>TOTAL VEHICLE &amp; EQUIPMENT RESERVES</b>	<b>35,110,923</b>	<b>49,777,009</b>	<b>39,535,461</b>	
<b><u>CAPITAL RESERVES-TAX SUPPORTED</u></b>					
108020	Unallocated Capital Levy	32,201,828	32,609,237	12,420,016	Yes
108022	Council Strategic Projects	5,052,740	6,390,605	5,492,169	Yes
108024	Investing in Ontario Subsidy Reserve	12,322,046	9,014,921	2,909,638	One-Time
108029	Pan Am Games Stadium-Provincial Contribution	0	20,309,217	20,816,947	One-Time
108030	Capital Projects - Ancaster	88,388	1,409,633	1,648,082	One-Time
108031	Capital Projects - Dundas	42,506	43,566	145,906	One-Time
108032	Capital Projects - Flamborough	172,672	147,737	227,368	One-Time
108033	Capital Projects - Glanbrook	362	0	232,875	One-Time

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	2010	2011	Projected 2012	Reserve Sustainable	
	\$	\$	\$		
<b><u>CAPITAL RESERVES-TAX SUPPORTED</u></b>					
108034	Capital Projects -Stoney Creek	12,782	13,101	15,429	One-Time
108035	Capital Projects - Hamilton	98,095	100,541	103,055	One-Time
108051	Ward 1 Special Capital Re-investment	0	425,757	96,510	Yes
108052	Ward 2 Special Capital Re-investment	0	425,757	1,062,941	Yes
108053	Ward 3 Special Capital Re-investment	0	453,094	1,177,530	Yes
108054	Ward 4 Special Capital Re-investment	0	425,757	12,473	Yes
108055	Ward 5 Special Capital Re-investment	0	425,757	354,698	Yes
108056	Ward 6 Special Capital Re-investment	0	425,757	1,184,948	Yes
108057	Ward 7 Special Capital Re-investment	0	425,757	709,073	Yes
108058	Ward 8 Special Capital Re-investment	0	425,757	41,523	Yes
117036	S.C. Compensation Royalties (Newalta Landfill)	31,021	504,186	618,040	Yes
<b>TOTAL CAPITAL RESERVES-TAX SUPPORTED</b>		<b>50,022,441</b>	<b>73,976,139</b>	<b>49,269,220</b>	
<b><u>EMPLOYEE RELATED RESERVES</u></b>					
<b><u>Pension/Retirement Reserves</u></b>					
112010	Provision for Deferred Pensions - D.I.P.	547,053	300,876	55,038	No
112050	Retirement Gratuity Reserve - HSR	147,288	149,830	143,451	Yes
112065	HWRF/HMRF Pension Deficiency Reserve	4,941,676	4,955,290	4,967,797	Yes
<b>Sub-total Pension/Retirement Reserves</b>		<b>5,636,018</b>	<b>5,405,996</b>	<b>5,166,286</b>	
<b><u>Benefits' Reserves</u></b>					
112015	Long Term Disability Reserve.	13,121,519	14,574,608	15,158,676	Yes
112020	Unreported Claims Reserve	2,997,842	3,071,953	3,148,752	Yes
112025	Claims Fluctuation Reserve-Health/Dental	10,445,044	13,420,216	13,755,722	Yes
112026	Claims Fluctuations - Health/Dental (Police)	1,423,031	1,458,519	1,494,982	Yes
<b>Sub-total Benefits' Reserves</b>		<b>27,987,436</b>	<b>32,525,296</b>	<b>33,558,132</b>	
<b><u>Sick Leave Reserves</u></b>					
112030	Sick Leave Liability - Police	5,472,508	5,608,983	5,749,208	Yes
112035	Sick Leave Liability - General	3,492,598	3,569,537	2,897,688	Yes
<b>Sub-total Sick Leave Reserves</b>		<b>8,965,106</b>	<b>9,178,520</b>	<b>8,646,896</b>	

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	\$	\$	\$	
<b><u>EMPLOYEE RELATED RESERVES</u></b>				
<b><u>Workplace Health &amp; Safety Reserves</u></b>				
112040 Workplace Safety & Insurance Board	34,746,385	37,488,244	40,250,122	Yes
<b>Sub-total Workplace Health &amp; Safety Reserve</b>	<b>34,746,385</b>	<b>37,488,244</b>	<b>40,250,122</b>	
<b>TOTAL EMPLOYEE RELATED RESERVES</b>	<b>77,334,945</b>	<b>84,598,056</b>	<b>87,621,436</b>	
<b><u>RISK MANAGEMENT RESERVES</u></b>				
112100 Self Insurance	201,850	0	0	Close
<b>TOTAL RISK MANAGEMENT RESERVES</b>	<b>201,850</b>	<b>0</b>	<b>0</b>	
<b><u>STABILIZATION RESERVES</u></b>				
110043 Commodity (Fuel) Stabilization Reserve	1,500,000	1,537,407	1,591,217	Yes
110046 Tax Stabilization Reserve	15,251,578	17,974,444	4,052,357	No
110048 Grants & Subsidy Reserve	1,265,462	1,297,020	1,329,446	Yes
<b>TOTAL STABILIZATION RESERVES</b>	<b>18,017,040</b>	<b>20,808,871</b>	<b>6,973,019</b>	
<b><u>OPERATING RESERVES</u></b>				
<b><u>Productivity Enhancement Reserves</u></b>				
112243 Enterprise Fund Reserve	2,724,069	2,792,222	1,464,366	Yes
<b>Sub-total Productivity Enhancement Reserves</b>	<b>2,724,069</b>	<b>2,792,222</b>	<b>1,464,366</b>	
<b><u>Working Fund Reserves</u></b>				
110045 Accommodation Expenses	333,443	0	0	Close
110051 Lister Block Reserve	7,406,232	6,592,658	0	One-Time
110080 Debenture Issuance Expense	602,145	601,897	583,635	Yes
112206 Election Expense Reserve	442,122	635,416	901,634	Yes
112212 Volunteer Committee Reserve	117,016	117,122	100,910	Yes
112230 Community Partnership Grants	252,434	303,084	309,146	Yes
112300 Investment Stabilization Reserve	22,834,852	34,768,028	36,978,389	Yes
112400 Working Fund-General	10,161,566	11,677,670	12,188,974	Yes
112405 Working Funds - HSR	390,670	400,413	4,421	Yes
<b>Sub-total Working Fund Reserves</b>	<b>42,540,479</b>	<b>55,096,287</b>	<b>51,067,108</b>	
<b>TOTAL OPERATING RESERVES</b>	<b>45,264,548</b>	<b>57,888,509</b>	<b>52,531,475</b>	

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	2010	2011	Projected 2012	Reserve Sustainable	
	\$	\$	\$		
<b><u>PROGRAM SPECIFIC RESERVES</u></b>					
<b><u>Community Services</u></b>					
<b>Social Services</b>					
110044	OW Stabilization Reserve	4,030,012	3,970,884	2,360,445	No
112214	Social Services Initiative Fund	254,647	3,532,025	1,880,385	One-Time
112218	Best Start Initiative	6,857,643	5,398,689	5,584,532	No
<b>Sub-total Social Services</b>		<b>11,142,302</b>	<b>12,901,597</b>	<b>9,825,362</b>	
<b>Housing Reserves</b>					
102045	Emergency Repair Program-HHERP	224,277	229,870	235,617	One-Time
112009	HomeStart Program	325,066	319,476	327,463	No
112222	Provincial Rent Bank Reserve	0	0	0	Yes
112239	Federal Housing Initiatives	2,096,126	1,408,787	769,520	Yes
112244	Social Housing Transition Reserve	64,195	65,796	0	One-Time
112248	Social Housing Reserve Fund	3,759,752	3,370,515	2,772,430	Yes
112249	Downtown Housing Initiatives	20,848	21,368	21,902	One-Time
112252	Supplement/Housing Allowance Reserve	1,490,431	1,558,391	1,491,484	One-Time
112253	Social Housing Renovation and Retrofit Reserve (SHRRP)	8,685,572	1,872,514	0	One-Time
112254	Revolving Home Ownership Reserve	26,010	83,012	0	Yes
<b>Sub-total Housing Reserves</b>		<b>16,692,278</b>	<b>8,929,729</b>	<b>5,618,417</b>	
<b>Recreation Reserves</b>					
104060	Golf Course Improvement	(52,866)	316,681	243,598	Yes
108038	Four Pad Arena Capital Reserve	434,507	531,421	578,119	Yes
110049	Four Pad Stabilization Reserve	210,796	246,052	252,204	Yes
<b>Sub-total Recreation Reserves</b>		<b>592,437</b>	<b>1,094,154</b>	<b>1,073,921</b>	
<b>Sub-total Community Services</b>		<b>28,427,017</b>	<b>22,925,481</b>	<b>16,517,699</b>	
<b>Public Health</b>					
112219	Public Health Services Reserves	224,915	267,485	274,172	Yes
<b>Sub-total Public Health</b>		<b>224,915</b>	<b>267,485</b>	<b>274,172</b>	



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	\$	\$	\$		
<b><u>PROGRAM SPECIFIC RESERVES</u></b>					
<b><u>Library Reserves</u></b>					
106005	Reserve For Mobile Equipment	194,866	129,726	56,562	Yes
106006	Library Collections	1,176,333	1,213,569	348,930	Yes
106007	Library General Development	1,414,752	1,150,859	794,419	Yes
106008	Library Major Capital Projects	2,139,170	3,071,661	2,044,327	Yes
106009	Summer Reading Program	446,140	457,266	306,901	Yes
106011	Redeployment & Training Fund	364,294	373,379	382,713	Yes
106012	Youth Programming Reserve	13,001	13,325	13,658	Yes
106013	Accessibility, Renewal and Health & Safety Reserve	22,415	222,974	329,798	Yes
106014	Library-Computer Reserve Fund	200,000	337,988	481,100	Yes
	<b>Sub-total Library Reserves</b>	<b>5,970,970</b>	<b>6,970,744</b>	<b>4,758,407</b>	
<b><u>Planning &amp; Development Reserves</u></b>					
<b><u>Development Related Reserves</u></b>					
100045	Services for New Subdivisions	3,141,132	3,219,466	3,299,953	Yes
108042	Red Hill Industrial Park Reserve	18,555,125	25,809,619	7,139,507	Yes
110060	Shovel Ready Industrial Land Reserve	4,634,551	4,584,653	3,911,967	Yes
110086	Development Fees Stabilization	1,727,073	1,695,870	1,610,860	Yes
112004	Brownfields Program Reserve	248,701	254,903	163,063	Yes
115090	Cash in Lieu Sidewalks-Flamborough	164,980	169,094	173,321	Yes
117012	Developer Deposits - Roads (SC)	799,050	818,977	839,451	Yes
	<b>Sub-total Development Related Reserves</b>	<b>29,270,611</b>	<b>36,552,582</b>	<b>17,138,121</b>	
<b><u>Downtown/BIA's/Heritage Reserves</u></b>					
100005	Revolving Fund-Historic Properties	363,900	372,975	382,299	Yes
102047	Community Heritage Program-CHIRP	42,891	278,053	285,004	One-Time
102048	Main Street Program Reserve	1,880,983	1,898,394	1,054,854	Yes
102049	Hamilton Community Heritage Fund	828,501	843,134	858,239	Yes
108036	Downtown Hamilton Capital Program	225,595	319,440	327,426	Yes

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	\$	\$	\$		
<b><u>PROGRAM SPECIFIC RESERVES</u></b>					
<b><u>Planning &amp; Development Reserves</u></b>					
<b><u>Downtown/BIA's/Heritage Reserves</u></b>					
112006	LACAC Publications Reserve	13,713	14,055	14,696	Yes
112211	Heritage Studies Reserve	37,120	38,046	38,997	Yes
112229	Commercial Property Improvement Grant (C.P.I.G.) Reserve	499,354	486,807	381,746	Yes
<b>Sub-total Downtown/BIA's/Heritage Reserves</b>		<b>3,892,058</b>	<b>4,250,905</b>	<b>3,343,262</b>	
<b><u>Planning-Other Reserves</u></b>					
100035	Property Purchases	1,135,625	1,390,207	1,458,006	Yes
108021	Parking Capital Reserve	3,371,263	3,370,529	1,772,878	Yes
112207	Upwind & Downwind Conference	26,008	26,656	19,223	Yes
112208	Destination Marketing Reserve	382,138	432,159	442,963	Yes
112221	Economic Development Investment Fund	1,474,376	1,792,095	1,636,928	Yes
112231	Conventions/Sports Events Reserve	109,350	117,639	119,163	Yes
115085	HMPS Cash in Lieu of Parking Reserve	184,576	189,179	193,908	Yes
117024	Animal Shelter Reserve Fund	23,442	24,846	2,180	Yes
<b>Sub-total Planning-Other Reserves</b>		<b>6,706,778</b>	<b>7,343,311</b>	<b>5,645,249</b>	
<b><u>Culture Reserves</u></b>					
100036	Auchmar Estates - Repairs	5,417	7,674	9,891	No
102015	Hamilton-Scourge Foundation	22,663	23,228	1,125	No
104080	Reserve For Various Museums	169,235	181,510	191,321	Yes
108044	Public Art Reserve	285,356	292,473	299,784	Yes
<b>Sub-total Culture Reserves</b>		<b>482,671</b>	<b>504,885</b>	<b>502,121</b>	
<b><u>Airport Reserves</u></b>					
108043	Airport Capital Reserve	157,260	216,427	253,545	Yes
112217	Airport Joint Marketing Reserve Fund	119,667	169,196	132,567	Yes
<b>Sub-total Airport Reserves</b>		<b>276,927</b>	<b>385,623</b>	<b>386,112</b>	
<b>Sub-total Planning &amp; Development Reserves</b>		<b>40,629,045</b>	<b>49,037,307</b>	<b>27,014,865</b>	

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	\$	\$	\$		
<b><u>PROGRAM SPECIFIC RESERVES</u></b>					
<b><u>H.E.C.F.I. Reserves</u></b>					
100025	H.E.C.F.I. - Capital Projects	437,771	231,461	608,172	Yes
102025	Ronald V. Joyce Centre	216,959	170,292	174,549	Yes
104005	Special Events Subsidy	11,683	65,635	53,436	Yes
	<b>Sub-total H.E.C.F.I. Reserves</b>	<b>666,413</b>	<b>467,388</b>	<b>836,157</b>	
<b><u>Police Reserves</u></b>					
104055	Tax Stabilization-Police	455,086	466,435	326,221	One-Time
110065	Police Capital Expenditures	4,787,590	3,575,208	1,187,923	Yes
112029	Provision for Vacation Liability	1,276,535	1,308,369	1,341,078	Yes
112210	Provision for Police Litigation	226,125	231,764	237,558	Yes
112220	Police Special Events	98,758	101,220	103,751	Yes
112225	Police Rewards	140,072	143,565	147,154	Yes
	<b>Sub-total Police Reserves</b>	<b>6,984,164</b>	<b>5,826,561</b>	<b>3,343,685</b>	
<b><u>Public Works Reserves</u></b>					
<b><u>Greenspace/Parks Reserves</u></b>					
108037	Hamilton Beach Park Reserve	1,116,491	1,069,824	1,419,229	Yes
112201	Park Marina Reserve	1,010,893	1,102,392	1,190,702	Yes
112202	Leash Free Park Reserve	265,202	304,856	337,045	Yes
	<b>Sub-total Greenspace/Parks Reserves</b>	<b>2,392,587</b>	<b>2,477,072</b>	<b>2,946,976</b>	
<b><u>Waste Management Reserves</u></b>					
110062	Closed Landfill Reserve	500,000	665,514	682,152	Yes
112270	Waste Management Recycling	3,026,221	3,291,917	3,564,059	Yes
112271	WM Facilities-Replace\Upgrade Reserve	607,245	1,108,038	1,514,596	Yes
113022	Garbage Collection Contingency Reserve	28,643	29,357	30,091	One-Time
	<b>Sub-total Waste Management Reserves</b>	<b>4,162,110</b>	<b>5,094,827</b>	<b>5,790,899</b>	

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<b><u>PROGRAM SPECIFIC RESERVES</u></b>					
<b><u>Public Works Reserves</u></b>					
<b><u>Transit Reserves</u></b>					
108019	Transit Shelter Capital Reserve	175,387	179,761	83,005	One-Time
108025	Transit Capital Reserve	2,631,897	2,956,616	732,404	Yes
108027	Province of Ontario Transit Capital Grant	5,675,745	5,817,288	3,461,845	One-Time
108045	Federal Public Transit Funds	1,923,408	1,839,760	671,469	One-Time
<b><u>Sub-total Transit Reserves</u></b>		<b><u>10,406,437</u></b>	<b><u>10,793,424</u></b>	<b><u>4,948,723</u></b>	
<b><u>Cemeteries' Reserves</u></b>					
104105	Cemetery Building Fund - Niches	366,046	411,049	358,120	Yes
<b><u>Sub-total Cemeteries' Reserves</u></b>		<b><u>366,046</u></b>	<b><u>411,049</u></b>	<b><u>358,120</u></b>	
<b><u>Public Works-Other Reserves</u></b>					
108039	McMaster Facility Capital Replacement	2,761	115,167	231,787	Yes
108040	Street Tree Light Replacement-Downtown	0	0	0	Yes
108041	Roads, Bridges & Traffic Capital Reserve	2,909,019	3,282,884	3,663,224	One-Time
108046	RCMP Lease-Capital Replacement	377,675	377,348	457,657	Yes
108047	Rapid Transit Capital Reserve	14,221,329	14,121,935	7,727,896	One-Time
108048	YMCA & Turner Library Capital Renewal Reserve	44,480	72,740	102,048	Yes
112203	Red Light Camera Project	3,017,202	3,961,719	4,066,139	Yes
112205	Winter Control	7,073,403	7,249,801	7,431,046	Yes
112209	47 Guise St Reserve	72,155	83,455	95,160	Yes
112272	Energy Conservation Initiative Reserve	3,215,302	6,027,683	6,153,002	Yes
<b><u>Sub-total Public Works-Other Reserves</u></b>		<b><u>30,933,327</u></b>	<b><u>35,292,731</u></b>	<b><u>29,927,957</u></b>	
<b><u>Sub-total Public Works Reserves</u></b>		<b><u>48,260,506</u></b>	<b><u>54,069,103</u></b>	<b><u>43,972,675</u></b>	
<b><u>TOTAL PROGRAM SPECIFIC RESERVES</u></b>		<b><u>131,163,030</u></b>	<b><u>139,564,069</u></b>	<b><u>96,717,660</u></b>	
<b><u>TOTAL TAX - SUPPORTED RESERVES</u></b>		<b><u>357,114,778</u></b>	<b><u>426,612,654</u></b>	<b><u>332,648,270</u></b>	

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<b><u>RATE SUPPORTED RESERVES</u></b>					
<b><u>Capital/Working Fund Reserves</u></b>					
108005	Sanitary Sewer Capital	51,939,782	44,104,970	39,186,021	Yes
108006	Wastewater Improvement Subsidy	101,326,000	103,852,892	106,449,214	One-Time
108010	Storm Sewer Capital	7,350,023	11,165,707	11,114,434	Yes
108015	Waterworks Capital	7,609,637	12,642,242	13,327,979	Yes
	<b><i>Sub-total Capital/Working Fund Reserves</i></b>	<b><u>168,225,442</u></b>	<b><u>171,765,810</u></b>	<b><u>170,077,648</u></b>	
<b><u>Equipment Replacement Reserves</u></b>					
110010	Meter Replacement	4,872,193	4,993,697	5,118,540	Yes
	<b><i>Sub-total Equipment Replacement Reserves</i></b>	<b><u>4,872,193</u></b>	<b><u>4,993,697</u></b>	<b><u>5,118,540</u></b>	
	<b><i>TOTAL RATE SUPPORTED RESERVES</i></b>	<b><u>173,097,636</u></b>	<b><u>176,759,508</u></b>	<b><u>175,196,188</u></b>	
<b><u>OBLIGATORY RESERVES</u></b>					
<b><u>Planning &amp; Development Reserves</u></b>					
104050	Building Permit Fees Revolving Fund	7,376,497	9,841,619	9,575,699	Yes
113008	Future Sidewalks Project Reserve-Ancaster	48,755	49,971	51,220	Yes
	<b><i>Sub-total Planning &amp; Development Reserves</i></b>	<b><u>7,425,251</u></b>	<b><u>9,891,590</u></b>	<b><u>9,626,919</u></b>	
<b><u>Gas Tax Reserves</u></b>					
112204	Transit Gas Tax Reserve	20,502,825	24,504,662	19,701,164	Yes
112213	Federal Gas Tax Reserve	8,505,639	22,417,114	13,456,258	Yes
	<b><i>Sub-total Gas Tax Reserves</i></b>	<b><u>29,008,464</u></b>	<b><u>46,921,776</u></b>	<b><u>33,157,422</u></b>	
<b><u>Parkland Dedication Reserves</u></b>					
104090	5% Parkland Dedication Reserve	10,054,269	10,392,455	10,782,686	Yes
	<b><i>Sub-total Parkland Dedication Reserves</i></b>	<b><u>10,054,269</u></b>	<b><u>10,392,455</u></b>	<b><u>10,782,686</u></b>	
<b><u>Development Charge Reserves</u></b>					
999999	Development Charges Reserve	66,412,892	39,408,096	43,914,292	Yes
	<b><i>Sub-total Development Charge Reserves</i></b>	<b><u>66,412,892</u></b>	<b><u>39,408,096</u></b>	<b><u>43,914,292</u></b>	

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	\$	\$	\$	
<b><u>Subdividers' Contributions</u></b>				
999998 Developer Recoveries	1,012,414	(1,453,801)	(538,474)	Yes
<b>Sub-total Subdividers' Contributions</b>	<b>1,012,414</b>	<b>(1,453,801)</b>	<b>(538,474)</b>	
<b>TOTAL OBLIGATORY RESERVES</b>	<b>113,913,291</b>	<b>105,160,117</b>	<b>96,942,845</b>	
<b><u>HAMILTON FUTURE FUND RESERVES</u></b>				
112246 Hamilton Future Fund A	64,582,358	65,405,919	43,051,904	Yes
112247 Hamilton Future Fund B	8,407,961	8,100,076	2,331,448	Yes
<b>TOTAL HAMILTON FUTURE FUND RESERVES</b>	<b>72,990,319</b>	<b>73,505,995</b>	<b>45,383,352</b>	
<b>GRAND TOTAL RESERVES</b>	<b>717,116,023</b>	<b>782,038,273</b>	<b>650,170,656</b>	

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	<b>2010</b>	<b>2011</b>	<b>Projected 2012</b>	<b>Reserve Sustainable</b>	
	<b>\$</b>	<b>\$</b>	<b>\$</b>		
<b><u>VEHICLE &amp; EQUIPMENT RESERVES</u></b>					
<b><u>Equipment Replacement Reserves</u></b>					
100031	Fire Equipment And Protective	13,263	317,357	305,563	Yes
100032	Radio Communication System-Upgrades	9,603	1,329,981	2,145,914	Yes
100033	EMS Equipment Reserves	576,031	975,538	466,855	Yes
100034	Small Equipment Replacement -O & M	213,447	277,406	273,741	No
108023	Information Technology Capital Reserve	(77,741)	499,806	524,950	Yes
110005	Hamilton Beach Rescue	97,364	219,130	246,105	Yes
110015	Computer Replacement Program	3,777,450	6,482,518	4,286,017	Yes
110035	Survey Equipment Replacement	25,259	50,889	77,790	Yes
110040	Equipment Replacement - PW	120,890	123,905	127,622	Yes
<b><i>Sub-total Equipment Replacement Reserves</i></b>		<b><u>4,755,565</u></b>	<b><u>10,276,528</u></b>	<b><u>8,454,556</u></b>	
<b><u>Vehicle Replacement Reserves</u></b>					
110020	Vehicle Replacement - Police	862,059	986,395	924,637	Yes
110021	Vehicle Replacement - Fire	5,031,046	5,089,298	3,884,922	Yes
110022	Vehicle Replacement - Ambulance	2,056,586	2,129,575	1,887,054	Yes
110023	Vehicle Replacement - DARTS	4,204,485	5,574,206	4,990,200	Yes
110025	Vehicle Replacement - Central Garage	5,118,963	8,813,759	5,325,209	Yes
110030	Vehicle Replacement - Transit	13,082,217	16,907,248	14,068,884	Yes
<b><i>Sub-total Vehicle Replacement Reserves</i></b>		<b><u>30,355,358</u></b>	<b><u>39,500,480</u></b>	<b><u>31,080,905</u></b>	
<b><i>TOTAL VEHICLE &amp; EQUIPMENT RESERVES</i></b>		<b><u>35,110,923</u></b>	<b><u>49,777,009</u></b>	<b><u>39,535,461</u></b>	

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Fire Equipment And Protective*

**Reserve Number(s):** *100031*

**Date Established:** *2001*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *Fire equipment purchases such as protective equipment, bunker equipment and defibrillators.*

**Comments:** *This reserve was segregated in 2003 into 2 reserves a Fire equipment reserves & EMS equipment reserve as a requirement of the Ministry of Health.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>-208,299</b>	<b>13,263</b>	<b>317,357</b>
<b>Add:</b>			
Interest Earned	887	7,393	9,206
Provision for Future Replacement	450,000	450,000	450,000
	<b>450,887</b>	<b>457,393</b>	<b>459,206</b>
<b>Less:</b>			
Equipment Purchases	229,325	153,299	471,000
	<b>229,325</b>	<b>153,299</b>	<b>471,000</b>
<b>Ending Balance</b>	<b>13,263</b>	<b>317,357</b>	<b>305,563</b>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Radio Communication System-Upgrades*

**Reserve Number(s):** *100032*

**Date Established:** *2001*

**Source of Funds:** *Year end savings from the Radio Communication System Repair Program*

**Purpose:** *This reserve was established to be used to minimize the high cost of repairs resulting from a major failure to the communication system and to assist with system upgrades*

**Comments:**

**Sustainable:** *Yes*

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>Projected 2012</b></u>
<b>Beginning Balance</b>	<b>20,052</b>	<b>9,603</b>	<b>1,329,981</b>
<b>Add:</b>			
Interest Earned	11,821	21,828	6,933
Provision for Future Replacement	1,263,730	1,298,550	1,340,000
	<u><b>1,275,551</b></u>	<u><b>1,320,378</b></u>	<u><b>1,346,933</b></u>
<b>Less:</b>			
System Upgrades	2009 Budget 1,286,000	0	531,000
	<u><b>1,286,000</b></u>	<u><b>0</b></u>	<u><b>531,000</b></u>
<b>Ending Balance</b>	<u><u><b>9,603</b></u></u>	<u><u><b>1,329,981</b></u></u>	<u><u><b>2,145,914</b></u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** EMS Equipment Reserves

**Reserve Number(s):** 100033

**Date Established:** 2004

**Source of Funds:** Contributions from Operating Fund

**Purpose:** To fund EMS equipment ,such as Defibrillators, purchased based on the life cycle requirement including annual inspections to ensure safety of staff.

**Comments:** This reserve was previously combined with the fire equipment reserve but was segregated as a requirement of the Ministry of Health.

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>474,104</b>	<b>576,031</b>	<b>975,538</b>
<b>Add:</b>			
Interest Earned	18,052	20,451	21,316
Provision For Replacement	310,000	310,000	310,000
Project Closings	0	69,056	0
	<u><b>328,052</b></u>	<u><b>399,507</b></u>	<u><b>331,316</b></u>
<b>Less:</b>			
Equipment Purchase	226,126	0	840,000
	<u><b>226,126</b></u>	<u><b>0</b></u>	<u><b>840,000</b></u>
<b>Ending Balance</b>	<u><u><b>576,031</b></u></u>	<u><u><b>975,538</b></u></u>	<u><u><b>466,855</b></u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Small Equipment Replacement -O & M*

**Reserve Number(s):** *100034*

**Date Established:** *2006*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *To fund the replacement of small equipment such as lawn mowers, which have exceeded their life cycle and are no longer economically feasible to maintain in service.*

**Comments:** *This reserve was segregated from the Fleet Central garage reserve-110025 in 2006 based on the Implementation of the TkMC Fleet Operational Review.*

**Sustainable:** *No*      *A reserve review based on the lifecycle requirements of the equipment was completed in 2009. The conclusions of the review suggest that unless the annual contribution is increased by \$164,000 (from \$58,000 to \$220,000) the future sustainability of this reserve will be at risk. No changes have been made to the 2012 contribution. Consideration should be given to address this issue in the 2013 operating budget as delays in addressing the annual contribution continue to impact the sustainability.*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>104,583</b>	<b>213,447</b>	<b>277,406</b>
<b>Add:</b>			
Interest Earned	2,957	5,807	8,145
Provision for Replacement	56,010	58,190	58,190
Sale of Equipment	49,897	0	0
	<b>108,864</b>	<b>63,997</b>	<b>66,335</b>
<b>Less:</b>			
Equipment Purchases	0	0	70,000
Project Closure-Shortfall	0	39	0
	<b>0</b>	<b>39</b>	<b>70,000</b>
<b>Ending Balance</b>	<b>213,447</b>	<b>277,406</b>	<b>273,741</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Information Technology Capital Reserve*

**Reserve Number(s):** *108023*

**Date Established:** *Sept 10, 2008 FCS08079*

**Source of Funds:** *Contribution from Operating fund*

**Purpose:** *To ensure sufficient funding for the lifecycle replacement of Information Technology Capital Equipment.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>339,027</b>	<b>-77,741</b>	<b>499,806</b>
<b>Add:</b>			
Interest Earned	3,232	4,547	15,144
Provision for Replacement	250,000	250,000	250,000
Contract Savings & Incentives	0	473,000	218,000
	<u>253,232</u>	<u>727,547</u>	<u>483,144</u>
<b>Less:</b>			
Capital Program	670,000	150,000	240,000
To Operating Fund	0	0	218,000
	<u>670,000</u>	<u>150,000</u>	<u>458,000</u>
<b>Ending Balance</b>	<u><u>-77,741</u></u>	<u><u>499,806</u></u>	<u><u>524,950</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Hamilton Beach Rescue*

**Reserve Number(s):** *110005*

**Date Established:** *1988*

**Source of Funds:** *Contribution from Current Budget -Grant*

**Purpose:** *This reserve was established in 1988 to smooth the impacts of capital funding requests from the Hamilton Beach Rescue Unit.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>70,854</b>	<b>97,364</b>	<b>219,130</b>
<b>Add:</b>			
Interest Earned	2,395	1,946	6,875
Capital Grant	66,115	66,120	63,600
Unused Capital Funds	0	111,700	0
	<b>68,510</b>	<b>179,766</b>	<b>70,475</b>
<b>Less:</b>			
Capital Requirements	42,000	58,000	43,500
	<b>42,000</b>	<b>58,000</b>	<b>43,500</b>
<b>Ending Balance</b>	<b>97,364</b>	<b>219,130</b>	<b>246,105</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Computer Replacement Program*

**Reserve Number(s):** *110015*

**Date Established:** *2002*

**Source of Funds:** *Contributions from Operating Fund (Lease Payments)*

**Purpose:** *This reserve was established to provide funds for the replacement of computer workstations. This will eliminate fluctuations in Operating Budgets as equipment is replaced. Contributions to the reserve are based on the life expectancy and cost of equipment.*

**Comments:** *On February 22,2012 Council approved the following changes to the lifecycle replacement period through report FCS11022(a):*

*A 5 year replacement lifecycle for standard computers (from 3 years) and a 4 year replacement lifecycle for high capacity computers and the lifecycle for ruggedized mobile computers be established at 4 years for a 12 month trial period*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>3,142,297</b>	<b>3,777,450</b>	<b>6,482,518</b>
<b>Add:</b>			
Interest Earned	68,717	94,203	159,141
Lease Payments	3,535,337	3,483,720	2,330,435
	<b>3,604,054</b>	<b>3,577,923</b>	<b>2,489,576</b>
<b>Less:</b>			
Computer Equipment Purchases	1,268,901	872,855	3,086,077
Repay Working Fund Reserve                      FCS02027	0	0	1,000,000
Payment Card Industry (PCI) Compliance Work                      FCS10032	0	0	600,000
Microsoft Licensing Renewal                      2010 Capital	1,700,000	0	0
	<b>2,968,901</b>	<b>872,855</b>	<b>4,686,077</b>
<b>Ending Balance</b>	<b>3,777,450</b>	<b>6,482,518</b>	<b>4,286,017</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Survey Equipment Replacement*

**Reserve Number(s):** *110035*

**Date Established:** *1999*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve was established to provide funds for the replacement of survey equipment every 10 years.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>252</b>	<b>25,259</b>	<b>50,889</b>
<b>Add:</b>			
Interest Earned	7	630	1,902
Provision For Replacement	25,000	25,000	25,000
	<u>25,007</u>	<u>25,630</u>	<u>26,902</u>
 <b>Ending Balance</b>	 <u><u>25,259</u></u>	 <u><u>50,889</u></u>	 <u><u>77,790</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Equipment Replacement - PW*

**Reserve Number(s):** *110040*

**Date Established:** *1974*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve was established by the Former Regional Transportation Department to provide funds for the purchase of Large format copiers etc.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>117,767</b>	<b>120,890</b>	<b>123,905</b>
<b>Add:</b>			
Interest Earned	3,123	3,015	3,717
	<u>3,123</u>	<u>3,015</u>	<u>3,717</u>
<b>Ending Balance</b>	<u><u>120,890</u></u>	<u><u>123,905</u></u>	<u><u>127,622</u></u>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Vehicle Replacement - Police*

**Reserve Number(s):** 110020

**Date Established:** 1974

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve was established to provide funds for the replacement or overhaul of Police Vehicles and related equipment. Contributions are made from the Operating budget based on a long term sustainable vehicle replacement program.*

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>822,944</b>	<b>862,059</b>	<b>986,395</b>
<b>Add:</b>			
Interest Earned	20,504	21,498	28,242
Provision for Replacement	1,586,992	1,263,551	1,551,000
Sale of Vehicles	72,162	107,426	60,000
	<u><b>1,679,658</b></u>	<u><b>1,392,475</b></u>	<u><b>1,639,242</b></u>
<b>Less:</b>			
Vehicle Purchases	1,440,542	1,093,140	1,551,000
To Operating Fund	200,000	175,000	150,000
	<u><b>1,640,542</b></u>	<u><b>1,268,140</b></u>	<u><b>1,701,000</b></u>
<b>Ending Balance</b>	<u><u><b>862,059</b></u></u>	<u><u><b>986,395</b></u></u>	<u><u><b>924,637</b></u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Vehicle Replacement - Fire*

**Reserve Number(s):** 110021

**Date Established:** 2001

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve was established to provide funds for the replacement or overhaul of Fire Vehicles. Contributions are made from the Operating budget based on a long term sustainable vehicle replacement program.*

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>3,909,672</b>	<b>5,031,046</b>	<b>5,089,298</b>
<b>Add:</b>			
Interest Earned	127,722	142,788	132,624
Provision for Future Replacement	1,700,000	1,700,000	1,700,000
	<b>1,827,722</b>	<b>1,842,788</b>	<b>1,832,624</b>
<b>Less:</b>			
Equipment Purchases	706,347	1,784,537	3,037,000
	<b>706,347</b>	<b>1,784,537</b>	<b>3,037,000</b>
<b>Ending Balance</b>	<b>5,031,046</b>	<b>5,089,298</b>	<b>3,884,922</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Vehicle Replacement - Ambulance*

**Reserve Number(s):** 110022

**Date Established:** 2001

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve was established to provide funds for the replacement or overhaul of Ambulances. Contributions are made from the Operating budget based on a long term sustainable ambulance replacement program.*

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<b>Projected <u>2012</u></b>
<b>Beginning Balance</b>	<b>1,939,413</b>	<b>2,056,586</b>	<b>2,129,575</b>
<b>Add:</b>			
Interest Earned	62,128	58,833	59,359
Provision for Future Replacement	600,000	600,000	600,000
Project Closing-Unused Funds	5,206	0	0
	<b>667,334</b>	<b>658,833</b>	<b>659,359</b>
<b>Less:</b>			
Equipment Purchases	550,161	585,845	901,880
	<b>550,161</b>	<b>585,845</b>	<b>901,880</b>
<b>Ending Balance</b>	<b>2,056,586</b>	<b>2,129,575</b>	<b>1,887,054</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Vehicle Replacement - DARTS*

**Reserve Number(s):** *110023*

**Date Established:** *1999*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve was established to provide funds for the replacement or mechanical overhaul of ATS vehicles.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>5,565,702</b>	<b>4,204,485</b>	<b>5,574,206</b>
<b>Add:</b>			
Interest Earned	132,108	126,391	156,124
Provision for Future Replacement	1,163,870	1,163,870	1,163,870
Sale of Vehicles	0	0	20,000
Project closings - Unused Funds	0	106,612	0
Provincial Sales Tax Refund	76,445	0	0
	<b>1,372,423</b>	<b>1,396,874</b>	<b>1,339,994</b>
<b>Less:</b>			
Equipment Purchases	2,733,640	27,153	1,924,000
	<b>2,733,640</b>	<b>27,153</b>	<b>1,924,000</b>
<b>Ending Balance</b>	<b>4,204,485</b>	<b>5,574,206</b>	<b>4,990,200</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Vehicle Replacement - Central Garage*

**Reserve Number(s):** *110025*

**Date Established:** *2001*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve is for the replacement of vehicles and heavy equipment , excluding Transit, Police and HES vehicles.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>6,485,185</b>	<b>5,118,963</b>	<b>8,813,759</b>
<b>Add:</b>			
Interest Earned	185,870	186,416	208,950
Provision for Future Replacement	5,114,929	5,417,379	5,491,790
Sale of Vehicles	379,469	197,144	439,640
	<b>5,680,268</b>	<b>5,800,939</b>	<b>6,140,380</b>
<b>Less:</b>			
Equipment Purchases	6,817,510	1,870,293	9,386,000
Fund Major Repairs	228,980	235,850	242,930
	<b>7,046,490</b>	<b>2,106,143</b>	<b>9,628,930</b>
<b>Ending Balance</b>	<b>5,118,963</b>	<b>8,813,759</b>	<b>5,325,209</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Vehicle Replacement - Transit*

**Reserve Number(s):** *110030*

**Date Established:** *1995*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve was established to provide a source of funding for the replacement of revenue producing vehicles and equipment for HSR.*

**Comments:**

**Sustainable:** *Yes* *This reserve will continue to maintain the 12 year bus replacement program due to \$3,700,000 in Federal Gas Tax Funding and an annual increase in contribution to reserve of \$450,000 from 2011 to 2020.*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>9,444,441</b>	<b>13,082,217</b>	<b>16,907,248</b>
<b>Add:</b>			
Interest Earned	404,329	406,742	457,775
Provision for Future Replacement-Buses	1,925,070	2,458,370	2,908,370
From Federal Gas Tax	0	700,000	700,000
Provision for Future Replacement-Vehicles	55,760	55,760	55,760
Sale of Vehicles	0	0	18,700
Unused Financing - Prior Years	0	475,129	0
FCM Municipal Fund Debenture & Grant FCS09095a	2,793,420	0	0
	<b>5,178,579</b>	<b>4,096,001</b>	<b>4,140,605</b>
<b>Less:</b>			
Equipment Purchases-Buses	1,528,065	0	6,189,000
Battery Replacement	0	0	384,000
Repayment of FCM Loan	0	270,970	270,970
Equipment Purchases-Non-Revenue Vehicles	12,737	0	135,000
	<b>1,540,803</b>	<b>270,970</b>	<b>6,978,970</b>
<b>Ending Balance</b>	<b>13,082,217</b>	<b>16,907,248</b>	<b>14,068,884</b>

**THE CITY OF HAMILTON  
2011 RESERVE REPORT  
RESERVE BALANCES**

		<b>2010</b>	<b>2011</b>	<b>Projected 2012</b>	<b>Reserve Sustainable</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	
<b><u>CAPITAL RESERVES-TAX SUPPORTED</u></b>					
108020	Unallocated Capital Levy	32,201,828	32,609,237	12,420,016	Yes
108022	Council Strategic Projects	5,052,740	6,390,605	5,492,169	Yes
108024	Investing in Ontario Subsidy Reserve	12,322,046	9,014,921	2,909,638	One-Time
108029	Pan Am Games Stadium-Provincial Contribution	0	20,309,217	20,816,947	One-Time
108030	Capital Projects - Ancaster	88,388	1,409,633	1,648,082	One-Time
108031	Capital Projects - Dundas	42,506	43,566	145,906	One-Time
108032	Capital Projects - Flamborough	172,672	147,737	227,368	One-Time
108033	Capital Projects - Glanbrook	362	0	232,875	One-Time
108034	Capital Projects -Stoney Creek	12,782	13,101	15,429	One-Time
108035	Capital Projects - Hamilton	98,095	100,541	103,055	One-Time
108051	Ward 1 Special Capital Re-investment	0	425,757	96,510	Yes
108052	Ward 2 Special Capital Re-investment	0	425,757	1,062,941	Yes
108053	Ward 3 Special Capital Re-investment	0	453,094	1,177,530	Yes
108054	Ward 4 Special Capital Re-investment	0	425,757	12,473	Yes
108055	Ward 5 Special Capital Re-investment	0	425,757	354,698	Yes
108056	Ward 6 Special Capital Re-investment	0	425,757	1,184,948	Yes
108057	Ward 7 Special Capital Re-investment	0	425,757	709,073	Yes
108058	Ward 8 Special Capital Re-investment	0	425,757	41,523	Yes
117036	S.C. Compensation Royalties (Newalta Landfill)	31,021	504,186	618,040	Yes
<b><u>TOTAL CAPITAL RESERVES-TAX SUPPORTED</u></b>		<b><u>50,022,441</u></b>	<b><u>73,976,139</u></b>	<b><u>49,269,220</u></b>	

## **CITY OF HAMILTON 2011 RESERVE REPORT**

**Reserve Name:** *Unallocated Capital Levy*

**Reserve Number(s):** *108020*

**Date Established:** *1976*

**Source of Funds:** *Deferred Capital Financing  
Repayment of Capital Advances*

**Purpose:** *This reserve is being utilized to fund capital programs supported by the General Levy Tax Base.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>17,310,209</b>	<b>32,201,828</b>	<b>32,609,237</b>
<b>Add:</b>			
Interest Earned	489,582	810,223	555,917
Deferred Capital Financing	7,753,395	4,806,892	5,237,989
Debt Repayment-Capital Advances	3,763,143	2,973,730	2,505,114
OMPF Reconciliation <span style="float: right;">FCS11027</span>	0	4,075,800	0
WIP Closings	8,197,865	1,519,781	0
Other Revenues	0	449,126	0
Hamilton Renewable Power Inc. Regular Dividend	568,472	0	0
	<b>20,772,457</b>	<b>14,635,553</b>	<b>8,299,020</b>
<b>Less:</b>			
Capital Budget Financing	5,548,455	8,189,257	21,890,700
Neighbourhood Strategy <span style="float: right;">FCS10073</span>	0	0	2,000,000
Fire\EMS Stations Mould Repairs <span style="float: right;">HES11011</span>	0	131,909	1,668,091
Other Project Costs	20,000	1,076,061	1,336,219
City Web Improvements	0	0	1,150,000
Borrowings - To Be Repaid	0	1,893,300	443,230
Dundas Arts Community Foundation <span style="float: right;">FCS10070(a)</span>	312,382	2,137,618	0
Emergency Generators <span style="float: right;">PW10072</span>	0	800,000	0
	<b>5,880,837</b>	<b>14,228,144</b>	<b>28,488,240</b>
<b>Ending Balance</b>	<b>32,201,828</b>	<b>32,609,237</b>	<b>12,420,016</b>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** Council Strategic Projects  
**Reserve Number(s):** 108022  
**Date Established:** Dec 12,2007 BSC 07-01  
**Source of Funds:** Contribution From the Capital Fund  
**Purpose:** To Fund projects initiated through Council Strategic planning sessions.  
**Comments:**  
**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>3,835,288</b>	<b>5,052,740</b>	<b>6,390,605</b>
<b>Add:</b>			
Interest Earned	114,859	136,688	146,701
Capital Budget Contribution	5,000,000	2,750,000	1,250,000
	<b>5,114,859</b>	<b>2,886,688</b>	<b>1,396,701</b>
<b>Less:</b>			
Waterfront Redevelopment	COW-08-020 1,500,000	400,000	1,208,000
Purchase 00 Diconzo Drive	PED09159 2,319	782	592,958
Rheem Property Purchase	PED09286 0	219,530	294,179
Scott Park Senior Centre	COW-Jun 25/10 0	0	200,000
Wm McCulloch Park Development	Council 06/24/09 71,488	928,512	0
Pedestrian/Traffic Signals	COW-Jun 25/10 2,700,000	0	0
Innovation Park - Property Purchase-Fund From EC Dev Fund	COW-Jun 25/10 -2,156,027	0	0
Hammil House	COW-08-020 454,927	0	0
95 King E-Artist Apartments	COW-08-020 1,092,000	0	0
Relocation of 447 wing move from Airport	COW-Jun 25/10 82,700	0	0
Blue Print for Shelters	COW-Jun 25/10 150,000	0	0
	<b>3,897,407</b>	<b>1,548,823</b>	<b>2,295,136</b>
<b>Ending Balance</b>	<b>5,052,740</b>	<b>6,390,605</b>	<b>5,492,169</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Investing in Ontario Subsidy Reserve*

**Reserve Number(s):** *108024*

**Date Established:** *Dec 10, 2008 COW 08-037*

**Source of Funds:** *Provincial Subsidy received under the Investing in Ontario Act.*

**Purpose:** *Funds may be used for any type of capital work. Municipalities may be required to report on how funds were used.*

**Comments:** *In the 2008 Ontario budget, the Minister of Finance announced the proposed Investing in Ontario Act that would shift budget future surpluses away from debt reduction to priority spending areas identified by the Province.*

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>31,990,101</b>	<b>12,322,046</b>	<b>9,014,921</b>
<b>Add:</b>			
Interest Earned	649,319	275,881	147,217
	<b>649,319</b>	<b>275,881</b>	<b>147,217</b>
<b>Less:</b>			
Capital Program	20,317,374	3,583,006	6,252,500
	<b>20,317,374</b>	<b>3,583,006</b>	<b>6,252,500</b>
<b>Ending Balance</b>	<b>12,322,046</b>	<b>9,014,921</b>	<b>2,909,638</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Pan Am Games Stadium-Provincial Contribution*

**Reserve Number(s):** *108029*

**Date Established:** *April 2011*

**Source of Funds:** *Provincial Contribution*

**Purpose:** *Contribution towards the renovation Costs of Ivor Wynne Stadium to facilitate the 2015 Pan Am Games*

**Comments:** *The original contribution of \$20,000,000 is intended to represent \$22,500,000 in 2014 dollars.*

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>0</b>	<b>20,309,217</b>
<b>Add:</b>			
Interest Earned	0	309,217	507,730
Provincial Contribution	0	20,000,000	0
	<b>0</b>	<b>20,309,217</b>	<b>507,730</b>
<b>Ending Balance</b>	<b>0</b>	<b>20,309,217</b>	<b>20,816,947</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Capital Projects - Ancaster*

**Reserve Number(s):** *108030*

**Date Established:** *November 27, 2001*

**Source of Funds:** *Combining Former Town of Ancaster Capital and Non Specific Reserves*

**Purpose:** *This reserve was established by combining capital reserves and reserves that could not be tied to specific municipal assets or services and used to finance capital projects related to programs which are area rated i.e. Parks, Fire in the Former Town of Ancaster.*

**Comments:** *This reserve contributed \$2,042,000.00 towards the purchase of the Grange School Property with the understanding that any future land sale revenue would be credited to this reserve. Land sale occurred in 2011.*

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>127,626</b>	<b>88,388</b>	<b>1,409,633</b>
<b>Add:</b>			
Interest Earned	2,644	2,158	37,750
Sale of Land - Grange School      PED11056(a)	0	1,369,967	190,500
Rogers Wireless-Morgan Firestone      PED11119	0	0	26,000
	<u><b>2,644</b></u>	<u><b>1,372,125</b></u>	<u><b>254,250</b></u>
<b>Less:</b>			
Golf Links Park-Replace playground base	0	0	15,800
Tennis Courts Ancaster Village Green      CS11067	0	50,880	0
Ancaster Diamond Redevelopment	41,882	0	0
	<u><b>41,882</b></u>	<u><b>50,880</b></u>	<u><b>15,800</b></u>
<b>Ending Balance</b>	<u><u><b>88,388</b></u></u>	<u><u><b>1,409,633</b></u></u>	<u><u><b>1,648,082</b></u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Capital Projects - Dundas*

**Reserve Number(s):** *108031*

**Date Established:** *November 27, 2001*

**Source of Funds:** *Combining Former Town of Dundas Capital and Non Specific Reserves*

**Purpose:** *This reserve was established by combining capital reserves and reserves that could not be tied to specific municipal assets or services and used to finance capital projects related to programs which are area rated i.e. Parks, Fire in the Former Town of Dundas.*

**Comments:**

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>41,408</b>	<b>42,506</b>	<b>43,566</b>
<b>Add:</b>			
Interest Earned	1,098	1,060	2,339
Cell Tower License Agreements	0	0	100,000
	<u><b>1,098</b></u>	<u><b>1,060</b></u>	<u><b>102,339</b></u>
 <b>Ending Balance</b>	 <u><u><b>42,506</b></u></u>	 <u><u><b>43,566</b></u></u>	 <u><u><b>145,906</b></u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Capital Projects - Flamborough*

**Reserve Number(s):** *108032*

**Date Established:** *November 27, 2001*

**Source of Funds:** *Combining Former Town of Flamborough Capital and Non Specific Reserves*

**Purpose:** *This reserve was established by combining capital reserves and reserves that could not be tied to specific municipal assets or services and used to finance capital projects related to programs which are area rated i.e. Parks, Fire in the Former Town of Flamborough*

**Comments:**

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>172,708</b>	<b>172,672</b>	<b>147,737</b>
<b>Add:</b>			
Interest Earned	4,500	4,065	4,631
Cell Tower License Agreements	0	0	75,000
	<b>4,500</b>	<b>4,065</b>	<b>79,631</b>
<b>Less:</b>			
Van Every Subdivision-Future Road	0	29,000	0
Memorial Park Waterdown	4,536	0	0
	<b>4,536</b>	<b>29,000</b>	<b>0</b>
<b>Ending Balance</b>	<b>172,672</b>	<b>147,737</b>	<b>227,368</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Capital Projects - Glanbrook*

**Reserve Number(s):** *108033*

**Date Established:** *November 27, 2001*

**Source of Funds:** *Combining Former Township of Glanbrook Capital and Non Specific Reserves*

**Purpose:** *This reserve was established by combining capital reserves and reserves that could not be tied to specific municipal assets or services and used to finance capital projects related to programs which are area rated i.e. Parks, Fire in the Former Township of Glanbrook.*

**Comments:**

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>67,031</b>	<b>362</b>	<b>0</b>
<b>Add:</b>			
Interest Earned	1,718	9	2,875
From the Glanbrook Sports Complex Project	0	0	230,000
	<u><b>1,718</b></u>	<u><b>9</b></u>	<u><b>232,875</b></u>
<b>Less:</b>			
Other Expenses	0	371	0
Capital Improvements - Binbrook Conservation Authority	65,000	0	0
Summit Park	3,386	0	0
	<u><b>68,386</b></u>	<u><b>371</b></u>	<u><b>0</b></u>
<b>Ending Balance</b>	<u><u><b>362</b></u></u>	<u><u><b>0</b></u></u>	<u><u><b>232,875</b></u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Capital Projects -Stoney Creek*

**Reserve Number(s):** *108034*

**Date Established:** *November 27, 2001*

**Source of Funds:** *Combining Former City of Stoney Creek Capital and Non Specific Reserves*

**Purpose:** *This reserve was established by combining capital reserves and reserves that could not be tied to specific municipal assets or services and used to finance capital projects related to programs which are area rated i.e. Parks, Fire in the Former City of Stoney Creek.*

**Comments:**

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>236,511</b>	<b>12,782</b>	<b>13,101</b>
<b>Add:</b>			
Interest Earned	6,272	319	328
Pendy Settlement for Winona Rec Centre	0	0	2,000
	<b>6,272</b>	<b>319</b>	<b>2,328</b>
<b>Less:</b>			
Purchase of 605 Hwy 8	230,000	0	0
	<b>230,000</b>	<b>0</b>	<b>0</b>
<b>Ending Balance</b>	<b>12,782</b>	<b>13,101</b>	<b>15,429</b>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Capital Projects - Hamilton*

**Reserve Number(s):** *108035*

**Date Established:** *November 27, 2001*

**Source of Funds:** *Combining Former City of Hamilton Capital and Non Specific Reserves*

**Purpose:** *This reserve was established by combining capital reserves and reserves that could not be tied to specific municipal assets or services and used to finance capital projects related to programs which are area rated i.e. Parks, Fire in the Former City of Hamilton.*

**Comments:**

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>166,174</b>	<b>98,095</b>	<b>100,541</b>
<b>Add:</b>			
Interest Earned	3,740	2,446	2,514
	<b>3,740</b>	<b>2,446</b>	<b>2,514</b>
<b>Less:</b>			
Project Closings- Shortfall	40,119	0	0
Grow - Op Vehicle Purchase	31,700	0	0
	<b>71,819</b>	<b>0</b>	<b>0</b>
<b>Ending Balance</b>	<b>98,095</b>	<b>100,541</b>	<b>103,055</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Ward 1 Special Capital Re-investment*

**Reserve Number(s):** *108051*

**Date Established:** *Sept 2011 FCS11068*

**Source of Funds:** *Tax shift variance resulting from amendments to the area rating methodology constituting an Urban /Rural Model. The Tax shift variance is to be re-invested into the Former City of Hamilton to Address its infrastructure deficit.*

**Purpose:** *To fund infrastructure projects and/or to provide one-time funding of a principally capital nature to address the infrastructure deficit/shortfall in the affected Ward.*

**Comments:** *Council on February 22, 2012 through Report FCS12024 Appendix A approved Special Capital Investment Policy to ensure that the Area Rating Special Capital Re-Investment is managed in a transparent and effective manner.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>0</b>	<b>425,757</b>
<b>Add:</b>			
Interest Earned	0	6,105	6,448
Special Levy	0	419,653	839,305
	<b>0</b>	<b>425,757</b>	<b>845,753</b>
<b>Less:</b>			
Public Art	0	0	300,000
Sidewalk Replacement	0	0	200,000
Pedestrian Signals	0	0	125,000
Streetscaping Improvements	0	0	125,000
Park Improvements	0	0	110,000
Ward Specific Capital Reinvestments	0	0	100,000
Prince Philip School - Repairs	0	0	100,000
School Nutrition Program	0	0	80,000
Traffic Studies	0	0	35,000
	<b>0</b>	<b>0</b>	<b>1,175,000</b>
<b>Ending Balance</b>	<b>0</b>	<b>425,757</b>	<b>96,510</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Ward 2 Special Capital Re-investment*

**Reserve Number(s):** *108052*

**Date Established:** *Sept 2011 FCS11068*

**Source of Funds:** *Tax shift variance resulting from amendments to the area rating methodology constituting an Urban /Rural Model. The Tax shift variance is to be re-invested into the Former City of Hamilton to Address its infrastructure deficit.*

**Purpose:** *To fund infrastructure projects and/or to provide one-time funding of a principally capital nature to address the infrastructure deficit/shortfall in the affected Ward.*

**Comments:** *Council on February 22, 2012 through Report FCS12024 Appendix A approved Special Capital Investment Policy to ensure that the Area Rating Special Capital Re-Investment is managed in a transparent and effective manner.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>0</b>	<b>425,757</b>
<b>Add:</b>			
Interest Earned	0	6,105	18,379
Special Levy	0	419,653	839,305
	<b>0</b>	<b>425,757</b>	<b>857,684</b>
<b>Less:</b>			
Corktown Park Entrance	0	0	100,000
Ferguson/Kelly - Pedestrian Signal	0	0	80,000
Beasley Improvements	0	0	16,500
HWDSB Task Force	0	0	15,000
Other Ward Improvements	0	0	9,000
	<b>0</b>	<b>0</b>	<b>220,500</b>
<b>Ending Balance</b>	<b>0</b>	<b>425,757</b>	<b>1,062,941</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Ward 3 Special Capital Re-investment*

**Reserve Number(s):** *108053*

**Date Established:** *Sept 2011 FCS11068*

**Source of Funds:** *Tax shift variance resulting from amendments to the area rating methodology constituting an Urban /Rural Model. The Tax shift variance is to be re-invested into the Former City of Hamilton to Address its infrastructure deficit.*

**Purpose:** *To fund infrastructure projects and/or to provide one-time funding of a principally capital nature to address the infrastructure deficit/shortfall in the affected Ward.*

**Comments:** *Council on February 22, 2012 through Report FCS12024 Appendix A approved Special Capital Investment Policy to ensure that the Area Rating Special Capital Re-Investment is managed in a transparent and effective manner.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>0</b>	<b>453,094</b>
<b>Add:</b>			
Interest Earned	0	6,441	20,131
Special Levy	0	419,653	839,305
Bell Mobility Lease at Brian Timmis	0	27,000	15,000
	<u><b>0</b></u>	<u><b>453,094</b></u>	<u><b>874,436</b></u>
<b>Less:</b>			
Ward Specific Capital Reinvestments	0	0	100,000
Ottawa Street North Streetscape Improvements	0	0	50,000
	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>150,000</b></u>
<b>Ending Balance</b>	<u><u><b>0</b></u></u>	<u><u><b>453,094</b></u></u>	<u><u><b>1,177,530</b></u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Ward 4 Special Capital Re-investment*

**Reserve Number(s):** *108054*

**Date Established:** *Sept 2011 FCS11068*

**Source of Funds:** *Tax shift variance resulting from amendments to the area rating methodology constituting an Urban /Rural Model. The Tax shift variance is to be re-invested into the Former City of Hamilton to Address its infrastructure deficit.*

**Purpose:** *To fund infrastructure projects and/or to provide one-time funding of a principally capital nature to address the infrastructure deficit/shortfall in the affected Ward.*

**Comments:** *Council on February 22, 2012 through Report FCS12024 Appendix A approved Special Capital Investment Policy to ensure that the Area Rating Special Capital Re-Investment is managed in a transparent and effective manner.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>0</b>	<b>425,757</b>
<b>Add:</b>			
Interest Earned	0	6,105	5,410
Special Levy	0	419,653	839,305
	<b>0</b>	<b>425,757</b>	<b>844,715</b>
<b>Less:</b>			
City Motor Hotel Purchase	0	0	1,108,000
Ward Specific Capital Reinvestments	0	0	100,000
Ottawa Street North Streetscape Improvements	0	0	50,000
	<b>0</b>	<b>0</b>	<b>1,258,000</b>
<b>Ending Balance</b>	<b>0</b>	<b>425,757</b>	<b>12,473</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Ward 5 Special Capital Re-investment*

**Reserve Number(s):** *108055*

**Date Established:** *Sept 2011 FCS11068*

**Source of Funds:** *Tax shift variance resulting from amendments to the area rating methodology constituting an Urban /Rural Model. The Tax shift variance is to be re-invested into the Former City of Hamilton to Address its infrastructure deficit.*

**Purpose:** *To fund infrastructure projects and/or to provide one-time funding of a principally capital nature to address the infrastructure deficit/shortfall in the affected Ward.*

**Comments:** *Council on February 22, 2012 through Report FCS12024 Appendix A approved Special Capital Investment Policy to ensure that the Area Rating Special Capital Re-Investment is managed in a transparent and effective manner.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>0</b>	<b>425,757</b>
<b>Add:</b>			
Interest Earned	0	6,105	9,635
Special Levy	0	419,653	839,305
	<b>0</b>	<b>425,757</b>	<b>848,940</b>
<b>Less:</b>			
Roadway Resurfacing	0	0	617,000
Sidewalk Repairs	0	0	125,000
Ward Specific Capital Reinvestments	0	0	100,000
Sam Manson Park	0	0	50,000
Backyard Slope Failure	0	0	28,000
	<b>0</b>	<b>0</b>	<b>920,000</b>
<b>Ending Balance</b>	<b>0</b>	<b>425,757</b>	<b>354,698</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Ward 6 Special Capital Re-investment*

**Reserve Number(s):** *108056*

**Date Established:** *Sept 2011 FCS11068*

**Source of Funds:** *Tax shift variance resulting from amendments to the area rating methodology constituting an Urban /Rural Model. The Tax shift variance is to be re-invested into the Former City of Hamilton to Address its infrastructure deficit.*

**Purpose:** *To fund infrastructure projects and/or to provide one-time funding of a principally capital nature to address the infrastructure deficit/shortfall in the affected Ward.*

**Comments:** *Council on February 22, 2012 through Report FCS12024 Appendix A approved Special Capital Investment Policy to ensure that the Area Rating Special Capital Re-Investment is managed in a transparent and effective manner.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>0</b>	<b>425,757</b>
<b>Add:</b>			
Interest Earned	0	6,105	19,885
Special Levy	0	419,653	839,305
	<b>0</b>	<b>425,757</b>	<b>859,190</b>
<b>Less:</b>			
Ward Specific Capital Reinvestments	0	0	100,000
	<b>0</b>	<b>0</b>	<b>100,000</b>
<b>Ending Balance</b>	<b>0</b>	<b>425,757</b>	<b>1,184,948</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Ward 7 Special Capital Re-investment*

**Reserve Number(s):** *108057*

**Date Established:** *Sept 2011 FCS11068*

**Source of Funds:** *Tax shift variance resulting from amendments to the area rating methodology constituting an Urban /Rural Model. The Tax shift variance is to be re-invested into the Former City of Hamilton to Address its infrastructure deficit.*

**Purpose:** *To fund infrastructure projects and/or to provide one-time funding of a principally capital nature to address the infrastructure deficit/shortfall in the affected Ward.*

**Comments:** *Council on February 22, 2012 through Report FCS12024 Appendix A approved Special Capital Investment Policy to ensure that the Area Rating Special Capital Re-Investment is managed in a transparent and effective manner.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>0</b>	<b>425,757</b>
<b>Add:</b>			
Interest Earned	0	6,105	14,010
Special Levy	0	419,653	839,305
	<b>0</b>	<b>425,757</b>	<b>853,315</b>
<b>Less:</b>			
Full Traffic Signals	0	0	220,000
Ryckman Park Improvements	0	0	200,000
Ward Specific Capital Reinvestments	0	0	100,000
Mountable Curbs Repairs	0	0	50,000
	<b>0</b>	<b>0</b>	<b>570,000</b>
<b>Ending Balance</b>	<b>0</b>	<b>425,757</b>	<b>709,073</b>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Ward 8 Special Capital Re-investment*

**Reserve Number(s):** *108058*

**Date Established:** *Sept 2011 FCS11068*

**Source of Funds:** *Tax shift variance resulting from amendments to the area rating methodology constituting an Urban /Rural Model. The Tax shift variance is to be re-invested into the Former City of Hamilton to Address its infrastructure deficit.*

**Purpose:** *To fund infrastructure projects and/or to provide one-time funding of a principally capital nature to address the infrastructure deficit/shortfall in the affected Ward.*

**Comments:** *Council on February 22, 2012 through Report FCS12024 Appendix A approved Special Capital Investment Policy to ensure that the Area Rating Special Capital Re-Investment is managed in a transparent and effective manner.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>0</b>	<b>425,757</b>
<b>Add:</b>			
Interest Earned	0	6,105	5,460
Special Levy	0	419,653	839,305
	<b>0</b>	<b>425,757</b>	<b>844,765</b>
<b>Less:</b>			
Chedoke Phase 2 Multi-Purpose Addition	0	0	900,000
Pedestrian & Traffic Signals:	0	0	160,000
Parks' & Recreation Centers' Improvements	0	0	119,000
Mountable Curbs Repairs	0	0	50,000
	<b>0</b>	<b>0</b>	<b>1,229,000</b>
<b>Ending Balance</b>	<b>0</b>	<b>425,757</b>	<b>41,523</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *S.C. Compensation Royalties (Newalta Landfill)*

**Reserve Number(s):** *117036*

**Date Established:** *1996*

**Source of Funds:** *Royalty Fee of \$1.00 per tonne of refuse deposited at the Taro landfill site.*

**Purpose:** *To fund projects that benefit the former City of Stoney Creek.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>949,112</b>	<b>31,021</b>	<b>504,186</b>
<b>Add:</b>			
Interest Earned	21,731	-889	13,855
Taro Royalty Fees	560,178	874,054	500,000
	<b>581,909</b>	<b>873,165</b>	<b>513,855</b>
<b>Less:</b>			
Stoney Creek Urban Design Plan	200,000	400,000	400,000
Smith Knoll Property Purchase	200,000	0	0
Purchase of 605 Hwy 8	1,100,000	0	0
	<b>1,500,000</b>	<b>400,000</b>	<b>400,000</b>
<b>Ending Balance</b>	<b>31,021</b>	<b>504,186</b>	<b>618,040</b>

**THE CITY OF HAMILTON  
2011 RESERVE REPORT  
RESERVE BALANCES**

	<b>2010</b>	<b>2011</b>	<b>Projected 2012</b>	<b>Reserve Sustainable</b>	
	\$	\$	\$		
<b><u>EMPLOYEE RELATED RESERVES</u></b>					
<b><u>Pension/Retirement Reserves</u></b>					
112010	Provision for Deferred Pensions - D.I.P.	547,053	300,876	55,038	No
112050	Retirement Gratuity Reserve - HSR	147,288	149,830	143,451	Yes
112065	HWRP/HMRF Pension Deficiency Reserve	4,941,676	4,955,290	4,967,797	Yes
<b>Sub-total Pension/Retirement Reserves</b>		<b>5,636,018</b>	<b>5,405,996</b>	<b>5,166,286</b>	
<b><u>Benefits' Reserves</u></b>					
112015	Long Term Disability Reserve.	13,121,519	14,574,608	15,158,676	Yes
112020	Unreported Claims Reserve	2,997,842	3,071,953	3,148,752	Yes
112025	Claims Fluctuation Reserve-Health/Dental	10,445,044	13,420,216	13,755,722	Yes
112026	Claims Fluctuations - Health/Dental (Police)	1,423,031	1,458,519	1,494,982	Yes
<b>Sub-total Benefits' Reserves</b>		<b>27,987,436</b>	<b>32,525,296</b>	<b>33,558,132</b>	
<b><u>Sick Leave Reserves</u></b>					
112030	Sick Leave Liability - Police	5,472,508	5,608,983	5,749,208	Yes
112035	Sick Leave Liability - General	3,492,598	3,569,537	2,897,688	Yes
<b>Sub-total Sick Leave Reserves</b>		<b>8,965,106</b>	<b>9,178,520</b>	<b>8,646,896</b>	
<b><u>Workplace Health &amp; Safety Reserves</u></b>					
112040	Workplace Safety & Insurance Board	34,746,385	37,488,244	40,250,122	Yes
<b>Sub-total Workplace Health &amp; Safety Reserves</b>		<b>34,746,385</b>	<b>37,488,244</b>	<b>40,250,122</b>	
<b>TOTAL EMPLOYEE RELATED RESERVES</b>		<b>77,334,945</b>	<b>84,598,056</b>	<b>87,621,436</b>	

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Provision for Deferred Pensions - D.I.P.*

**Reserve Number(s):** *112010*

**Date Established:** *1985*

**Source of Funds:** *From the Operating Fund*

**Purpose:** *This reserve has been set up to fund Deferred Income for City Councillors. Payments are made to Councillors upon termination of service with the City on the later of age plus service equal to 60 or completion of 2 terms of office.*

**Comments:** *The D.I.P. plans were wound up effective January 1, 2001 and Council Members are no longer accruing current service benefits under this plan.*

**Sustainable:** *No*                      *Funding will be required for 2013 to fund future obligations*

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>Projected 2012</b></u>
<b>Beginning Balance</b>	<b>784,494</b>	<b>547,053</b>	<b>300,876</b>
<b>Add:</b>			
Interest Earned	17,719	10,614	4,394
	<b>17,719</b>	<b>10,614</b>	<b>4,394</b>
<b>Less:</b>			
Deferred Income Payments	255,160	256,791	250,232
	<b>255,160</b>	<b>256,791</b>	<b>250,232</b>
<b>Ending Balance</b>	<b>547,053</b>	<b>300,876</b>	<b>55,038</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** Retirement Gratuity Reserve - HSR

**Reserve Number(s):** 112050

**Date Established:** June, 1997

**Source of Funds:** From the Operating Fund

**Purpose:** This reserve was established to fund Retirement Gratuity Payments, as outlined in the collective agreements. It was approved by Council at its meeting of June 4, 1997 per Transportation Services Committee Report TRA 97-022.

**Comments:** Change in collective agreement ratified January 19, 1999 reduced the entitlement to the difference between the HSR bridging payment and the retirement gratuity calculation. This change has resulted in an excess of reserve funds. . Maximum payout as of Jan 1/ 12 is not expected to exceed \$35,000.

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>148,566</b>	<b>147,288</b>	<b>149,830</b>
<b>Add:</b>			
Interest Earned	3,940	2,542	3,621
	<b>3,940</b>	<b>2,542</b>	<b>3,621</b>
<b>Less:</b>			
Retiring Allowance Payments	5,218	0	10,000
	<b>5,218</b>	<b>0</b>	<b>10,000</b>
<b>Ending Balance</b>	<b>147,288</b>	<b>149,830</b>	<b>143,451</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *HWRF/HMRF Pension Deficiency Reserve*

**Reserve Number(s):** *112065*

**Date Established:** *1992*

**Source of Funds:** *From the Operating Fund  
From Other Reserves*

**Purpose:** *This reserve was established in 1992 to reclassify HWRF Actuarial Deficiency provision which was originally categorized as a liability. The balance of the Uncommitted Pension / Benefits reserve (112060) was transferred to this reserve.*

**Comments:** *In 2009, Council through report FCS09113 approved the use of these funds to fund amounts in excess of the current budgeted net amount of \$3.87 million for any shortfall arising from either the HSR or HWRF plan for the years 2009 to 2011. Report FCS12002 approved the use of these funds through to 2013. The current budget of \$3.87 million is expected to meet the 2012 obligations of both plans.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>5,043,478</b>	<b>4,941,676</b>	<b>4,955,290</b>
<b>Add:</b>			
Interest Earned	133,741	122,783	122,507
	<b>133,741</b>	<b>122,783</b>	<b>122,507</b>
<b>Less:</b>			
Pension Benefit Guaranteed Fund Fees	235,543	109,170	110,000
	<b>235,543</b>	<b>109,170</b>	<b>110,000</b>
<b>Ending Balance</b>	<b>4,941,676</b>	<b>4,955,290</b>	<b>4,967,797</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** Long Term Disability Reserve.

**Reserve Number(s):** 112015

**Date Established:** February, 1988

**Source of Funds:** Contributions form the Operating Fund.

**Purpose:** This reserve is for the purpose of maintaining the necessary level of funding for the Disabled Life Reserve as required by the LTD carrier. This fund should hold adequate funds to pay for both previous and current LTD claimants' long term disability claims now and into the future. This fund must also adequately fund the LTD claims fluctuation monies required to smooth benefit rate variances. Sufficient funding of the Long Term Disability IBNR (incurred but not reported) required by the carrier must also be held in this reserve. In addition, payments to LTD claimants as a result of vacation payouts and/or severance will also be funded from this reserve.

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>11,515,645</b>	<b>13,121,519</b>	<b>14,574,608</b>
<b>Add:</b>			
Interest Earned	305,368	346,345	367,078
Unrestricted Deposit Account payment	1,013,192	1,149,833	476,991
LTD liability Surplus	535,835	0	0
	<b>1,854,395</b>	<b>1,496,177</b>	<b>844,069</b>
<b>Less:</b>			
Arbitration costs	248,520	0	260,000
Program Deficit	0	38,509	0
LTD Actuarial Valuation Costs	0	4,579	0
	<b>248,520</b>	<b>43,089</b>	<b>260,000</b>
<b>Ending Balance</b>	<b>13,121,519</b>	<b>14,574,608</b>	<b>15,158,676</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Unreported Claims Reserve*

**Reserve Number(s):** 112020

**Date Established:** *January, 1991*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve was established to fund claims made in the current year relating to both Health/dental and Life insurance claims carried out in the previous year. It is customary for some lag time to occur between the date that the actual procedure or claim is undertaken and the date that the payments are made.*

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>2,920,400</b>	<b>2,997,842</b>	<b>3,071,953</b>
<b>Add:</b>			
Interest Earned	77,442	74,761	76,799
	<b>77,442</b>	<b>74,761</b>	<b>76,799</b>
<b>Less:</b>			
Program Deficit	0	651	0
	<b>0</b>	<b>651</b>	<b>0</b>
<b>Ending Balance</b>	<b>2,997,842</b>	<b>3,071,953</b>	<b>3,148,752</b>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Claims Fluctuation Reserve-Health/Dental*

**Reserve Number(s):** *112025*

**Date Established:** *January, 1991*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve must adequately fund the Health/dental Claims fluctuation monies required to smooth any health/dental benefit variances that may occur. This reserve will be used to fund any accumulated deficits in claims for any given year. Surpluses and/or deficits are generated when the claims and administration expenses paid versus the amount budgeted for in that year are not equal.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>7,208,342</b>	<b>10,445,044</b>	<b>13,420,216</b>
<b>Add:</b>			
Interest Earned	182,300	251,464	335,505
Program Administration Recovery From Departments	997,890	1,011,470	1,050,561
Health/Dental Liability Surplus	894,012	2,434,933	0
Settlements	0	230,000	0
Clearing out Historical Balances	2,019,278	0	0
	<b>4,093,480</b>	<b>3,927,867</b>	<b>1,386,066</b>
<b>Less:</b>			
Program Administration	856,778	952,694	1,050,561
	<b>856,778</b>	<b>952,694</b>	<b>1,050,561</b>
<b>Ending Balance</b>	<b>10,445,044</b>	<b>13,420,216</b>	<b>13,755,722</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Claims Fluctuations - Health/Dental (Police)*

**Reserve Number(s):** *112026*

**Date Established:** *January 1991*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve must adequately fund the Health/dental Claims fluctuation monies required to smooth any health/dental benefit variances that may occur. This reserve will be used to fund any accumulated deficits in claims for any given year. Surpluses and/or deficits are generated when the claims and administration expenses paid versus the amount budgeted for in that year are not equal.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>1,386,271</b>	<b>1,423,031</b>	<b>1,458,519</b>
<b>Add:</b>			
Interest Earned	<u>36,761</u>	<u>35,488</u>	<u>36,463</u>
	<b>36,761</b>	<b>35,488</b>	<b>36,463</b>
<b>Ending Balance</b>	<u><u>1,423,031</u></u>	<u><u>1,458,519</u></u>	<u><u>1,494,982</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Sick Leave Liability - Police*

**Reserve Number(s):** *112030*

**Date Established:** *Prior to 1986*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *Under the Sick Leave Benefit Plan for the Police, unused sick leave can accumulate and police employees may become entitled to cash payment when they leave the Region's employment.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>5,331,139</b>	<b>5,472,508</b>	<b>5,608,983</b>
<b>Add:</b>			
Interest Earned	141,369	136,475	140,225
	<b>141,369</b>	<b>136,475</b>	<b>140,225</b>
<b>Ending Balance</b>	<b>5,472,508</b>	<b>5,608,983</b>	<b>5,749,208</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Sick Leave Liability - General*

**Reserve Number(s):** 112035

**Date Established:** *Prior to 1986*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *Under the old Sick Leave Benefit Plan, unused sick leave was accumulated by the eligible employees. Employees who are part of the old sick leave plan are entitled to cash payment when they leave the City's employment. The reserve assists with the fluctuations in the sick leave payments*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>3,410,221</b>	<b>3,492,598</b>	<b>3,569,537</b>
<b>Add:</b>			
Interest Earned	82,376	76,939	79,842
Recovery From Operating Fund	956,788	1,218,853	748,309
	<b>1,039,164</b>	<b>1,295,792</b>	<b>828,151</b>
<b>Less:</b>			
Sick Leave Payments	956,788	1,218,853	1,500,000
	<b>956,788</b>	<b>1,218,853</b>	<b>1,500,000</b>
<b>Ending Balance</b>	<b>3,492,598</b>	<b>3,569,537</b>	<b>2,897,688</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Workplace Safety & Insurance Board*

**Reserve Number(s):** *112040*

**Date Established:** *February, 1974*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *The City has a Schedule 2 agreement with the Workplace Safety & Insurance Board (WSIB) to self insure based on the actual claims which are submitted to the Board by City employees. In order to stabilize the impact of these claims, this reserve was created.*

**Comments:** *The WSIB liability as actuarially determined is \$55,620,000 at December 31, 2011. The annual surplus in the WSIB operating budget is transferred to this reserve.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected <u>2012</u></b>
<b>Beginning Balance</b>	<b>32,833,138</b>	<b>34,746,385</b>	<b>37,488,244</b>
<b>Add:</b>			
Interest Earned	865,886	864,917	959,733
WSIB Payments-Surplus	1,493,180	2,365,035	2,300,000
	<b>2,359,066</b>	<b>3,229,952</b>	<b>3,259,733</b>
<b>Less:</b>			
WSIB Administration	445,818	488,093	497,855
	<b>445,818</b>	<b>488,093</b>	<b>497,855</b>
<b>Ending Balance</b>	<b>34,746,385</b>	<b>37,488,244</b>	<b>40,250,122</b>

**THE CITY OF HAMILTON  
2011 RESERVE REPORT  
RESERVE BALANCES**

	<b>2010</b>	<b>2011</b>	<b>Projected 2012</b>	<b>Reserve Sustainable</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	
<b><u>RISK MANAGEMENT RESERVES</u></b>				
112100 Self Insurance	201,850	0	0	Close
<b>TOTAL RISK MANAGEMENT RESERVES</b>	<b><u>201,850</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Self Insurance*

**Reserve Number(s):** *112100*

**Date Established:** *Prior to 1986*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *The City operates a partial self-insurance program. Funds are provided in the current budget for the estimated cost of insurance premiums. Deductibles on current year claims are netted against the budgeted premiums and any excess/deficit is transferred this reserve.*

**Comments:**

**Sustainable:** *Close*                      *There is no ongoing contribution to this Reserve.*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>196,636</b>	<b>201,850</b>	<b>0</b>
<b>Add:</b>			
Interest Earned	5,214	5,034	0
	<b>5,214</b>	<b>5,034</b>	<b>0</b>
<b>Less:</b>			
Transfer to Tax Stabilization Reserve	0	206,884	0
	<b>0</b>	<b>206,884</b>	<b>0</b>
<b>Ending Balance</b>	<b>201,850</b>	<b>0</b>	<b>0</b>

**THE CITY OF HAMILTON  
2011 RESERVE REPORT  
RESERVE BALANCES**

		<b>2010</b>	<b>2011</b>	<b>Projected 2012</b>	<b>Reserve Sustainable</b>
		\$	\$	\$	
<b><u>STABILIZATION RESERVES</u></b>					
110043	Commodity (Fuel) Stabilization Reserve	1,500,000	1,537,407	1,591,217	Yes
110046	Tax Stabilization Reserve	15,251,578	17,974,444	4,052,357	No
110048	Grants & Subsidy Reserve	1,265,462	1,297,020	1,329,446	Yes
<b>TOTAL STABILIZATION RESERVES</b>		<b><u>18,017,040</u></b>	<b><u>20,808,871</u></b>	<b><u>6,973,019</u></b>	



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Commodity (Fuel) Stabilization Reserve*

**Reserve Number(s):** *110043*

**Date Established:** *April 27,2011 FCS11032*

**Source of Funds:** *Year end Surplus*

**Purpose:** *To provide a contingency towards significant spike in fuel prices.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>1,500,000</b>	<b>1,537,407</b>
<b>Add:</b>			
Interest Earned	0	37,407	53,809
From Corporate Surplus	FCS11032 1,500,000	0	0
	<b>1,500,000</b>	<b>37,407</b>	<b>53,809</b>
 <b>Ending Balance</b>	 <b>1,500,000</b>	 <b>1,537,407</b>	 <b>1,591,217</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** Tax Stabilization Reserve

**Reserve Number(s):** 110046

**Date Established:** April 1998

**Source of Funds:** Operating Budget Surpluses

**Purpose:** To Offset service cost increases due to fluctuations in the economy

**Comments:**

**Sustainable:** No *To provide sufficient flexibility and protection for unforeseen events the reserve balance should be around 5% of tax revenues. Moving towards the minimum target of 5% is subject to the City's financial affordability.*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>10,974,026</b>	<b>15,251,578</b>	<b>17,974,444</b>
<b>Add:</b>			
Interest Earned	285,091	377,790	271,936
Operating Budget Surplus- reallocated in 2012 per report FCS12031	FCS12031 0	4,052,511	0
From Reserves approved for closure	FCS11068 0	206,884	0
Operating Budget Surplus	5,721,071	65,444	0
	<b>6,006,161</b>	<b>4,702,629</b>	<b>271,936</b>
<b>Less:</b>			
To Unallocated Capital Levy Reserve-Debt Savings	0	0	3,237,989
Program Phase-ins\Pilot Programs\One-Time Grants	778,118	532,655	2,205,030
Forestry Building Renovations	0	0	2,100,000
Phase-Out Provincial grant Loss	2012 Operating 0	0	2,000,000
2012 Waste Contract Increase	0	0	1,700,000
Lastly from Tax Stabilization Reserve	0	15,000	1,232,500
Insurance Premium Cost Increase	FCS08024 411,527	900,000	600,000
Paid On-Street Parking Deficit	250,000	250,000	500,000
Emergency Services 2012 Program Enhancements	0	0	368,504
Operational Reviews\Reorganizations	115,352	39,648	250,000
OMB Appeals	173,613	242,460	0
	<b>1,728,610</b>	<b>1,979,763</b>	<b>14,194,023</b>
<b>Ending Balance</b>	<b>15,251,578</b>	<b>17,974,444</b>	<b>4,052,357</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Grants & Subsidy Reserve*

**Reserve Number(s):** *110048*

**Date Established:** *2003*

**Source of Funds:** *Grant & Subsidy Adjustments*

**Purpose:** *To offset potential subsidy adjustments stemming from year end issues with respect to cash flow & settlements of grants & subsidies resulting from the Provinces completion of their year end of March 31 which differs from the City's year end of December 31.*

**Comments:** *Primarily setup for issues for child care subsidies but it can be used for other grants & subsidies issues.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>1,232,772</b>	<b>1,265,462</b>	<b>1,297,020</b>
<b>Add:</b>			
Interest Earned	32,690	31,558	32,426
	<b>32,690</b>	<b>31,558</b>	<b>32,426</b>
<b>Less:</b>			
Subsidy Adjustments	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Balance</b>	<b>1,265,462</b>	<b>1,297,020</b>	<b>1,329,446</b>

**THE CITY OF HAMILTON  
2011 RESERVE REPORT  
RESERVE BALANCES**

	2010	2011	Projected 2012	Reserve Sustainable	
	\$	\$	\$		
<b><u>OPERATING RESERVES</u></b>					
<b><u>Productivity Enhancement Reserves</u></b>					
112243	Enterprise Fund Reserve	2,724,069	2,792,222	1,464,366	Yes
<b><i>Sub-total Productivity Enhancement Reserves</i></b>		<b><u>2,724,069</u></b>	<b><u>2,792,222</u></b>	<b><u>1,464,366</u></b>	
<b><u>Working Fund Reserves</u></b>					
110045	Accommodation Expenses	333,443	0	0	Close
110051	Lister Block Reserve	7,406,232	6,592,658	0	One-Time
110080	Debenture Issuance Expense	602,145	601,897	583,635	Yes
112206	Election Expense Reserve	442,122	635,416	901,634	Yes
112212	Volunteer Committee Reserve	117,016	117,122	100,910	Yes
112230	Community Partnership Grants	252,434	303,084	309,146	Yes
112300	Investment Stabilization Reserve	22,834,852	34,768,028	36,978,389	Yes
112400	Working Fund-General	10,161,566	11,677,670	12,188,974	Yes
112405	Working Funds - HSR	390,670	400,413	4,421	Yes
<b><i>Sub-total Working Fund Reserves</i></b>		<b><u>42,540,479</u></b>	<b><u>55,096,287</u></b>	<b><u>51,067,108</u></b>	
<b><i>TOTAL OPERATING RESERVES</i></b>		<b><u>45,264,548</u></b>	<b><u>57,888,509</u></b>	<b><u>52,531,475</u></b>	

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Enterprise Fund Reserve*

**Reserve Number(s):** *112243*

**Date Established:** *June, 1999*

**Source of Funds:** *One-Time Provincial Grant  
Repayment of Efficiency related initiatives*

**Purpose:** *The Reserve was established to fund one-time costs associated with innovative ventures and alternative service delivery that yield ongoing operating savings. (FIN 99-046). The operating savings are then used to repay the initial investment, thus ensuring funds for future cost saving measures.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>1,188,794</b>	<b>2,724,069</b>	<b>2,792,222</b>
<b>Add:</b>			
Interest Earned	34,310	68,153	42,144
Energy Pilot Project - Early Repayment      FCS11032	1,271,730	0	0
Debt Repayments	229,235	0	0
	<b>1,535,275</b>	<b>68,153</b>	<b>42,144</b>
<b>Less:</b>			
Energy Efficiency Projects      PW10099	0	0	1,370,000
	<b>0</b>	<b>0</b>	<b>1,370,000</b>
<b>Ending Balance</b>	<b>2,724,069</b>	<b>2,792,222</b>	<b>1,464,366</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Accommodation Expenses*

**Reserve Number(s):** *110045*

**Date Established:** *March, 1975*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *The funds in this reserve are set aside to pay for relocation and/or renovation expenses. A portion of these funds may be used to cover any expenses which may arise upon maturity of rental leases.*

**Comments:** *Approved for Closure Through Report FCS11068.*

**Sustainable:** *Close*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>271,336</b>	<b>333,443</b>	<b>0</b>
<b>Add:</b>			
Interest Earned	7,855	8,315	0
Debt Repayments	54,253	0	0
	<b>62,107</b>	<b>8,315</b>	<b>0</b>
<b>Less:</b>			
Close & Transfer to Tax Stabilization Reserve	0	341,758	0
	<b>0</b>	<b>341,758</b>	<b>0</b>
<b>Ending Balance</b>	<b>333,443</b>	<b>0</b>	<b>0</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Lister Block Reserve*

**Reserve Number(s):** *110051*

**Date Established:** *April 23, 2008 FCS08021*

**Source of Funds:** *Provincial Contribution of \$7,000,000*

**Purpose:** *For the Purchase or Lease of the Lister Block.*

**Comments:** *A conditional grant of \$7 million has been provided to the City on April 2, 2008, with the following conditions:*

*General Conditions:*

*-Enter into a Lease or an Agreement of Purchase and Sale before June 30, 2008;*  
*-City to occupy by March 31, 2012, and continue to substantially occupy until March 31, 2028.*

*Purchase Conditions:*

*-For the period to March 31, 2028, City agrees not to sell Lister;*  
*- Agreement of Purchase and Sale cannot subsequently be amended without prior written consent of the Province;*  
*- Commencing March 31, 2009, City to provide Province annual reports stating the Agreement of Purchase and Sale is still in good standing and outline the progress with the renovation of the Lister Block*

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>7,428,525</b>	<b>7,406,232</b>	<b>6,592,658</b>
<b>Add:</b>			
Interest Earned	196,987	181,614	43,951
	<b>196,987</b>	<b>181,614</b>	<b>43,951</b>
<b>Less:</b>			
Project Costs	219,280	995,188	6,636,609
	<b>219,280</b>	<b>995,188</b>	<b>6,636,609</b>
<b>Ending Balance</b>	<b>7,406,232</b>	<b>6,592,658</b>	<b>0</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Debenture Issuance Expense*

**Reserve Number(s):** *110080*

**Date Established:** *December, 1982*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve was established to equalize future debenture issues and related expenses.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>608,354</b>	<b>602,145</b>	<b>601,897</b>
<b>Add:</b>			
Interest Earned	16,132	15,016	11,738
	<b>16,132</b>	<b>15,016</b>	<b>11,738</b>
<b>Less:</b>			
Debt Issue & Credit Rating Costs	22,342	15,264	30,000
	<b>22,342</b>	<b>15,264</b>	<b>30,000</b>
<b>Ending Balance</b>	<b>602,145</b>	<b>601,897</b>	<b>583,635</b>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Election Expense Reserve*

**Reserve Number(s):** 112206

**Date Established:** 1985

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *To eliminate the fluctuations of the annual mill rate resulting from election expenditures every fourth year.*

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>957,848</b>	<b>442,122</b>	<b>635,416</b>
<b>Add:</b>			
Interest Earned	27,168	11,026	15,218
Annual Contribution	233,000	233,000	233,000
Rental of 110 Accuvote Machines	18,000	18,000	18,000
	<b>278,168</b>	<b>262,026</b>	<b>266,218</b>
<b>Less:</b>			
Election Costs	893,893	68,733	0
Election Facilities-Temporary Relocation- Not Required	-100,000	0	0
	<b>793,893</b>	<b>68,733</b>	<b>0</b>
<b>Ending Balance</b>	<b>442,122</b>	<b>635,416</b>	<b>901,634</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Volunteer Committee Reserve*

**Reserve Number(s):** *112212*

**Date Established:** *Oct 25,2005 FCS05114*

**Source of Funds:** *Unused Operating Funds subject to an overall Corporate Surplus.*

**Purpose:** *To provide a source of funding for Volunteer Committees in excess of their approved annual budget.*

**Comments:** *The maximum approved balance is set at double the Volunteers' Committees annual budget.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>115,575</b>	<b>117,016</b>	<b>117,122</b>
<b>Add:</b>			
Interest Earned	3,032	2,594	2,159
Unspent Funds	6,247	23,856	0
	<b>9,278</b>	<b>26,450</b>	<b>2,159</b>
<b>Less:</b>			
Payments	7,837	26,344	18,370
	<b>7,837</b>	<b>26,344</b>	<b>18,370</b>
<b>Ending Balance</b>	<b>117,016</b>	<b>117,122</b>	<b>100,910</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Community Partnership Grants*

**Reserve Number(s):** *112230*

**Date Established:** *1989*

**Source of Funds:** *Grants' Budget Surpluses*

**Purpose:** *An annual budget is approved for grants. Each year any surplus funds from the budget are transferred to this reserve to be used for grants in any year the budget is fully utilized.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>215,924</b>	<b>252,434</b>	<b>303,084</b>
<b>Add:</b>			
Interest Earned	5,726	6,295	6,062
Grants' Surplus	30,784	44,355	0
	<u><b>36,510</b></u>	<u><b>50,650</b></u>	<u><b>6,062</b></u>
 <b>Ending Balance</b>	 <u><u><b>252,434</b></u></u>	 <u><u><b>303,084</b></u></u>	 <u><u><b>309,146</b></u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Investment Stabilization Reserve*

**Reserve Number(s):** *112300*

**Date Established:** *2005*

**Source of Funds:** *Capital Gains*

**Purpose:** *To mitigate the operating budget impact of reducing the interest income allocation to the operating budget in future years;*

**Comments:** *This reserve was previously known as the Portfolio Valuation Reserve and the scope of this reserve was changed through Report FCS05068.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>10,439,026</b>	<b>22,834,852</b>	<b>34,768,028</b>
<b>Add:</b>			
Interest Earned	276,818	569,462	710,361
Realized from Capital Gains	12,119,007	11,363,715	1,500,000
	<b>12,395,826</b>	<b>11,933,176</b>	<b>2,210,361</b>
<b>Ending Balance</b>	<b>22,834,852</b>	<b>34,768,028</b>	<b>36,978,389</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** Working Fund-General

**Reserve Number(s):** 112400

**Date Established:** March, 1974

**Source of Funds:** Recoveries from the operating fund  
Debt Repayments

**Purpose:** This reserve were established to provide positive cash balances during times when cash flows are low. The reserve is also used to fund unbudgeted deficits in various programs..

**Comments:** This reserve was used to fund outstanding Work in progress projects in the amount of \$30 million as approved through the 2001 Capital Budget Financing plan.

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>6,836,780</b>	<b>10,161,566</b>	<b>11,677,670</b>
<b>Add:</b>			
Interest Earned	219,042	296,361	236,303
Debt Repayment	3,105,744	3,105,744	2,841,045
Debt Repayment-Computer Replacement Program FCS02027	0	0	625,000
	<hr/> <b>3,324,786</b>	<hr/> <b>3,402,104</b>	<hr/> <b>3,702,348</b>
<b>Less:</b>			
Capital Budget Financing	0	1,886,000	2,841,045
Service Delivery Review Plan CM11009	0	0	350,000
	<hr/> <b>0</b>	<hr/> <b>1,886,000</b>	<hr/> <b>3,191,045</b>
<b>Ending Balance</b>	<hr/> <b>10,161,566</b> <hr/>	<hr/> <b>11,677,670</b> <hr/>	<hr/> <b>12,188,974</b> <hr/>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** Working Funds - HSR

**Reserve Number(s):** 112405

**Date Established:** 1984

**Source of Funds:** Contributions from Operating Fund

**Purpose:** The Working Fund Reserve is the consolidated balance of assets over liabilities for HSR which was derived when their financial statements were converted to Municipal Accounting Standards. The reserve is used to fund unbudgeted deficits should they occur.

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>380,578</b>	<b>390,670</b>	<b>400,413</b>
<b>Add:</b>			
Interest Earned	10,092	9,743	4,008
	<b>10,092</b>	<b>9,743</b>	<b>4,008</b>
<b>Less:</b>			
Fare Card System	0	0	400,000
	<b>0</b>	<b>0</b>	<b>400,000</b>
<b>Ending Balance</b>	<b>390,670</b>	<b>400,413</b>	<b>4,421</b>

**THE CITY OF HAMILTON  
2011 RESERVE REPORT  
RESERVE BALANCES**

	2010	2011	Projected 2012	Reserve Sustainable	
	\$	\$	\$		
<b><u>PROGRAM SPECIFIC RESERVES</u></b>					
<b><u>Community Services</u></b>					
<b><u>Social Services</u></b>					
110044	OW Stabilization Reserve	4,030,012	3,970,884	2,360,445	No
112214	Social Services Initiative Fund	254,647	3,532,025	1,880,385	One-Time
112218	Best Start Initiative	6,857,643	5,398,689	5,584,532	No
<b><u>Sub-total Social Services</u></b>		<b>11,142,302</b>	<b>12,901,597</b>	<b>9,825,362</b>	
<b><u>Housing Reserves</u></b>					
102045	Emergency Repair Program-HHERP	224,277	229,870	235,617	One-Time
112009	HomeStart Program	325,066	319,476	327,463	No
112222	Provincial Rent Bank Reserve	0	0	0	Yes
112239	Federal Housing Initiatives	2,096,126	1,408,787	769,520	Yes
112244	Social Housing Transition Reserve	64,195	65,796	0	One-Time
112248	Social Housing Reserve Fund	3,759,752	3,370,515	2,772,430	Yes
112249	Downtown Housing Initiatives	20,848	21,368	21,902	One-Time
112252	Supplement/Housing Allowance Reserve	1,490,431	1,558,391	1,491,484	One-Time
112253	Social Housing Renovation and Retrofit Reserve (SHRRP)	8,685,572	1,872,514	0	One-Time
112254	Revolving Home Ownership Reserve	26,010	83,012	0	Yes
<b><u>Sub-total Housing Reserves</u></b>		<b>16,692,278</b>	<b>8,929,729</b>	<b>5,618,417</b>	
<b><u>Recreation Reserves</u></b>					
104060	Golf Course Improvement	(52,866)	316,681	243,598	Yes
108038	Four Pad Arena Capital Reserve	434,507	531,421	578,119	Yes
110049	Four Pad Stabilization Reserve	210,796	246,052	252,204	Yes
<b><u>Sub-total Recreation Reserves</u></b>		<b>592,437</b>	<b>1,094,154</b>	<b>1,073,921</b>	
<b><u>Sub-total Community Services</u></b>		<b>28,427,017</b>	<b>22,925,481</b>	<b>16,517,699</b>	
<b><u>Public Health</u></b>					
112219	Public Health Services Reserves	224,915	267,485	274,172	Yes
<b><u>Sub-total Public Health</u></b>		<b>224,915</b>	<b>267,485</b>	<b>274,172</b>	

**THE CITY OF HAMILTON**  
**2011 RESERVE REPORT**  
**RESERVE BALANCES**

	2010	2011	Projected 2012	Reserve Sustainable	
	\$	\$	\$		
<b><u>PROGRAM SPECIFIC RESERVES</u></b>					
<b><u>Library Reserves</u></b>					
106005	Reserve For Mobile Equipment	194,866	129,726	56,562	Yes
106006	Library Collections	1,176,333	1,213,569	348,930	Yes
106007	Library General Development	1,414,752	1,150,859	794,419	Yes
106008	Library Major Capital Projects	2,139,170	3,071,661	2,044,327	Yes
106009	Summer Reading Program	446,140	457,266	306,901	Yes
106011	Redeployment & Training Fund	364,294	373,379	382,713	Yes
106012	Youth Programming Reserve	13,001	13,325	13,658	Yes
106013	Accessibility, Renewal and Health & Safety Reserve	22,415	222,974	329,798	Yes
106014	Library-Computer Reserve Fund	200,000	337,988	481,100	Yes
<b><u>Sub-total Library Reserves</u></b>		<b>5,970,970</b>	<b>6,970,744</b>	<b>4,758,407</b>	
<b><u>Planning &amp; Development Reserves</u></b>					
<b><u>Development Related Reserves</u></b>					
100045	Services for New Subdivisions	3,141,132	3,219,466	3,299,953	Yes
108042	Red Hill Industrial Park Reserve	18,555,125	25,809,619	7,139,507	Yes
110060	Shovel Ready Industrial Land Reserve	4,634,551	4,584,653	3,911,967	Yes
110086	Development Fees Stabilization	1,727,073	1,695,870	1,610,860	Yes
112004	Brownfields Program Reserve	248,701	254,903	163,063	Yes
115090	Cash in Lieu Sidewalks-Flamborough	164,980	169,094	173,321	Yes
117012	Developer Deposits - Roads (SC)	799,050	818,977	839,451	Yes
<b><u>Sub-total Development Related Reserves</u></b>		<b>29,270,611</b>	<b>36,552,582</b>	<b>17,138,121</b>	
<b><u>Downtown/BIA's/Heritage Reserves</u></b>					
100005	Revolving Fund-Historic Properties	363,900	372,975	382,299	Yes
102047	Community Heritage Program-CHIRP	42,891	278,053	285,004	One-Time
102048	Main Street Program Reserve	1,880,983	1,898,394	1,054,854	Yes
102049	Hamilton Community Heritage Fund	828,501	843,134	858,239	Yes
108036	Downtown Hamilton Capital Program	225,595	319,440	327,426	Yes



**THE CITY OF HAMILTON  
2011 RESERVE REPORT  
RESERVE BALANCES**

	2010	2011	Projected 2012	Reserve Sustainable	
	\$	\$	\$		
<b><u>PROGRAM SPECIFIC RESERVES</u></b>					
<b><u>Planning &amp; Development Reserves</u></b>					
<b><u>Downtown/BIA's/Heritage Reserves</u></b>					
112006	LACAC Publications Reserve	13,713	14,055	14,696	Yes
112211	Heritage Studies Reserve	37,120	38,046	38,997	Yes
112229	Commercial Property Improvement Grant (C.P.I.G.) Reserve	499,354	486,807	381,746	Yes
<b><i>Sub-total Downtown/BIA's/Heritage Reserves</i></b>		<b>3,892,058</b>	<b>4,250,905</b>	<b>3,343,262</b>	
<b><u>Planning-Other Reserves</u></b>					
100035	Property Purchases	1,135,625	1,390,207	1,458,006	Yes
108021	Parking Capital Reserve	3,371,263	3,370,529	1,772,878	Yes
112207	Upwind & Downwind Conference	26,008	26,656	19,223	Yes
112208	Destination Marketing Reserve	382,138	432,159	442,963	Yes
112221	Economic Development Investment Fund	1,474,376	1,792,095	1,636,928	Yes
112231	Conventions/Sports Events Reserve	109,350	117,639	119,163	Yes
115085	HMPS Cash in Lieu of Parking Reserve	184,576	189,179	193,908	Yes
117024	Animal Shelter Reserve Fund	23,442	24,846	2,180	Yes
<b><i>Sub-total Planning-Other Reserves</i></b>		<b>6,706,778</b>	<b>7,343,311</b>	<b>5,645,249</b>	
<b><u>Culture Reserves</u></b>					
100036	Auchmar Estates - Repairs	5,417	7,674	9,891	No
102015	Hamilton-Scourge Foundation	22,663	23,228	1,125	No
104080	Reserve For Various Museums	169,235	181,510	191,321	Yes
108044	Public Art Reserve	285,356	292,473	299,784	Yes
<b><i>Sub-total Culture Reserves</i></b>		<b>482,671</b>	<b>504,885</b>	<b>502,121</b>	
<b><u>Airport Reserves</u></b>					
108043	Airport Capital Reserve	157,260	216,427	253,545	Yes
112217	Airport Joint Marketing Reserve Fund	119,667	169,196	132,567	Yes
<b><i>Sub-total Airport Reserves</i></b>		<b>276,927</b>	<b>385,623</b>	<b>386,112</b>	
<b><i>Sub-total Planning &amp; Development Reserves</i></b>		<b>40,629,045</b>	<b>49,037,307</b>	<b>27,014,865</b>	

**THE CITY OF HAMILTON  
2011 RESERVE REPORT  
RESERVE BALANCES**

	2010	2011	Projected 2012	Reserve Sustainable	
	\$	\$	\$		
<b><u>PROGRAM SPECIFIC RESERVES</u></b>					
<b><u>H.E.C.F.I. Reserves</u></b>					
100025	H.E.C.F.I. - Capital Projects	437,771	231,461	608,172	Yes
102025	Ronald V. Joyce Centre	216,959	170,292	174,549	Yes
104005	Special Events Subsidy	11,683	65,635	53,436	Yes
<b>Sub-total H.E.C.F.I. Reserves</b>		<b>666,413</b>	<b>467,388</b>	<b>836,157</b>	
<b><u>Police Reserves</u></b>					
104055	Tax Stabilization-Police	455,086	466,435	326,221	One-Time
110065	Police Capital Expenditures	4,787,590	3,575,208	1,187,923	Yes
112029	Provision for Vacation Liability	1,276,535	1,308,369	1,341,078	Yes
112210	Provision for Police Litigation	226,125	231,764	237,558	Yes
112220	Police Special Events	98,758	101,220	103,751	Yes
112225	Police Rewards	140,072	143,565	147,154	Yes
<b>Sub-total Police Reserves</b>		<b>6,984,164</b>	<b>5,826,561</b>	<b>3,343,685</b>	
<b><u>Public Works Reserves</u></b>					
<b><u>Greenspace/Parks Reserves</u></b>					
108037	Hamilton Beach Park Reserve	1,116,491	1,069,824	1,419,229	Yes
112201	Park Marina Reserve	1,010,893	1,102,392	1,190,702	Yes
112202	Leash Free Park Reserve	265,202	304,856	337,045	Yes
<b>Sub-total Greenspace/Parks Reserves</b>		<b>2,392,587</b>	<b>2,477,072</b>	<b>2,946,976</b>	
<b><u>Waste Management Reserves</u></b>					
110062	Closed Landfill Reserve	500,000	665,514	682,152	Yes
112270	Waste Management Recycling	3,026,221	3,291,917	3,564,059	Yes
112271	WM Facilities-Replace\Upgrade Reserve	607,245	1,108,038	1,514,596	Yes
113022	Garbage Collection Contingency Reserve	28,643	29,357	30,091	One-Time
<b>Sub-total Waste Management Reserves</b>		<b>4,162,110</b>	<b>5,094,827</b>	<b>5,790,899</b>	

**THE CITY OF HAMILTON**  
**2011 RESERVE REPORT**  
**RESERVE BALANCES**

	2010	2011	Projected 2012	Reserve Sustainable	
	\$	\$	\$		
<b><u>PROGRAM SPECIFIC RESERVES</u></b>					
<b><u>Public Works Reserves</u></b>					
<b><i>Transit Reserves</i></b>					
108019	Transit Shelter Capital Reserve	175,387	179,761	83,005	One-Time
108025	Transit Capital Reserve	2,631,897	2,956,616	732,404	Yes
108027	Province of Ontario Transit Capital Grant	5,675,745	5,817,288	3,461,845	One-Time
108045	Federal Public Transit Funds	1,923,408	1,839,760	671,469	One-Time
<b><i>Sub-total Transit Reserves</i></b>		<b>10,406,437</b>	<b>10,793,424</b>	<b>4,948,723</b>	
<b><i>Cemeteries' Reserves</i></b>					
104105	Cemetery Building Fund - Niches	366,046	411,049	358,120	Yes
<b><i>Sub-total Cemeteries' Reserves</i></b>		<b>366,046</b>	<b>411,049</b>	<b>358,120</b>	
<b><i>Public Works-Other Reserves</i></b>					
108039	McMaster Facility Capital Replacement	2,761	115,167	231,787	Yes
108040	Street Tree Light Replacement-Downtown	0	0	0	Yes
108041	Roads, Bridges & Traffic Capital Reserve	2,909,019	3,282,884	3,663,224	One-Time
108046	RCMP Lease-Capital Replacement	377,675	377,348	457,657	Yes
108047	Rapid Transit Capital Reserve	14,221,329	14,121,935	7,727,896	One-Time
108048	YMCA & Turner Library Capital Renewal Reserve	44,480	72,740	102,048	Yes
112203	Red Light Camera Project	3,017,202	3,961,719	4,066,139	Yes
112205	Winter Control	7,073,403	7,249,801	7,431,046	Yes
112209	47 Guise St Reserve	72,155	83,455	95,160	Yes
112272	Energy Conservation Initiative Reserve	3,215,302	6,027,683	6,153,002	Yes
<b><i>Sub-total Public Works-Other Reserves</i></b>		<b>30,933,327</b>	<b>35,292,731</b>	<b>29,927,957</b>	
<b><i>Sub-total Public Works Reserves</i></b>		<b>48,260,506</b>	<b>54,069,103</b>	<b>43,972,675</b>	
<b><i>TOTAL PROGRAM SPECIFIC RESERVES</i></b>		<b>131,163,030</b>	<b>139,564,069</b>	<b>96,717,660</b>	

**THE CITY OF HAMILTON  
2011 RESERVE REPORT  
RESERVE BALANCES**

		2010	2011	Projected 2012	Reserve Sustainable
		\$	\$	\$	
<b><u>Community Services</u></b>					
<b>Social Services</b>					
110044	OW Stabilization Reserve	4,030,012	3,970,884	2,360,445	No
112214	Social Services Initiative Fund	254,647	3,532,025	1,880,385	One-Time
112218	Best Start Initiative	6,857,643	5,398,689	5,584,532	No
<b>Sub-total Social Services</b>		<b>11,142,302</b>	<b>12,901,597</b>	<b>9,825,362</b>	
<b>Housing Reserves</b>					
102045	Emergency Repair Program-HHERP	224,277	229,870	235,617	One-Time
112009	HomeStart Program	325,066	319,476	327,463	No
112222	Provincial Rent Bank Reserve	0	0	0	Yes
112239	Federal Housing Initiatives	2,096,126	1,408,787	769,520	Yes
112244	Social Housing Transition Reserve	64,195	65,796	0	One-Time
112248	Social Housing Reserve Fund	3,759,752	3,370,515	2,772,430	Yes
112249	Downtown Housing Initiatives	20,848	21,368	21,902	One-Time
112252	Supplement/Housing Allowance Reserve	1,490,431	1,558,391	1,491,484	One-Time
112253	Social Housing Renovation and Retrofit Reserve (SHRRP)	8,685,572	1,872,514	0	One-Time
112254	Revolving Home Ownership Reserve	26,010	83,012	0	Yes
<b>Sub-total Housing Reserves</b>		<b>16,692,278</b>	<b>8,929,729</b>	<b>5,618,417</b>	
<b>Recreation Reserves</b>					
104060	Golf Course Improvement	(52,866)	316,681	243,598	Yes
108038	Four Pad Arena Capital Reserve	434,507	531,421	578,119	Yes
110049	Four Pad Stabilization Reserve	210,796	246,052	252,204	Yes
<b>Sub-total Recreation Reserves</b>		<b>592,437</b>	<b>1,094,154</b>	<b>1,073,921</b>	
<b>Total Community Services</b>		<b>28,427,017</b>	<b>22,925,481</b>	<b>16,517,699</b>	

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *OW Stabilization Reserve*

**Reserve Number(s):** *110044*

**Date Established:** *2004 (FCS04053)*

**Source of Funds:** *Provincial Grant Payments Variances*

**Purpose:** *To fund case load fluctuations and related additional administrative costs and any subsidy adjustments for prior periods not covered in the annual approved budgets.*

**Comments:** *If OW caseload fluctuates over budgeted average of 13,530 cases in 2012, variance may be funded from the reserve.*

**Sustainable:** *No To provide sufficient flexibility and protection against recession driven caseload increases. This reserve does not currently have a financial plan in place to ensure there are sufficient funds in the reserve to offset any large fluctuations in the caseloads. A minimum target reserve balance may be established via a report that will be presented to the Emergency and Community Services Committee in fall 2012. minimum target reserve balance needs to be established.*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>3,997,934</b>	<b>4,030,012</b>	<b>3,970,884</b>
<b>Add:</b>			
Interest Earned	94,329	95,366	78,165
SDMT Bank Variance	0	58,744	0
	<b>94,329</b>	<b>154,110</b>	<b>78,165</b>
<b>Less:</b>			
OW Caseload Contingency plan Ph. 2 & 3	30,659	0	1,160,640
OW Caseload Contingency plan Ph 4	0	0	382,063
Additions Services Initiative CS10086	0	126,046	145,900
Affordable Transit Pass ESC08051(c)	16,202	87,192	0
SDMT Bank Variance	15,391	0	0
	<b>62,252</b>	<b>213,237</b>	<b>1,688,603</b>
<b>Ending Balance</b>	<b>4,030,012</b>	<b>3,970,884</b>	<b>2,360,445</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Social Services Initiative Fund*

**Reserve Number(s):** *112214*

**Date Established:** *2006*

**Source of Funds:** *Seed funding from Provincial One-time Grant*

**Purpose:** *To fund urgent temporary/finite program requirements (e.g.. Emergency Shelter; Homemakers/Nurses) and recommendations from Poverty Roundtable.*

**Comments:**

**Sustainable:** *One-Time There are no committed contributions to this reserve with the exception of 50% of the 2009 OMPF reconciliation .*

		<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>Projected 2012</u></b>
<b>Beginning Balance</b>		<b>386,662</b>	<b>254,647</b>	<b>3,532,025</b>
<b>Add:</b>				
Interest Income		5,149	72,018	66,820
OMPF 2009 Reconciliation – 50%	FCS11027	0	4,075,800	0
		<b>5,149</b>	<b>4,147,818</b>	<b>66,820</b>
<b>Less:</b>				
Domiciliary Hostel Program	CS11095	0	0	750,000
Emergency Food Assistance	Council April 27	0	350,000	350,000
Emergency Shelter & Intensive Case Management	CS11095	0	350,000	350,000
Affordable Transit Pass Program	ECS08051(c)	137,163	170,440	268,460
		<b>137,163</b>	<b>870,440</b>	<b>1,718,460</b>
<b>Ending Balance</b>		<b>254,647</b>	<b>3,532,025</b>	<b>1,880,385</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Best Start Initiative*

**Reserve Number(s):** *112218*

**Date Established:** *July 11th, 2007 (ESC07055)*

**Source of Funds:** *Provincial Best Start Funding (2005/06)*

**Purpose:** *The Best Start Initiative Reserve is being utilized to offset Provincial shortfalls in the cost sharing of the City of Hamilton's Best Start and Child Care administrative costs and to sustain the Best Start Initiative in accordance with the Best Start Network's annual work plans.*

**Comments:**

**Sustainable:** *No*      *There are no committed contributions to this reserve.*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>7,093,378</b>	<b>6,857,643</b>	<b>5,398,689</b>
<b>Add:</b>			
Interest Earned	184,944	171,915	124,378
Board of Education Capital Repayment	0	329,539	908,568
	<b>184,944</b>	<b>501,454</b>	<b>1,032,946</b>
<b>Less:</b>			
Fund Initiatives	420,679	399,679	847,103
Best Start Child Care fee subsidy pressure FCS12031	0	1,560,729	0
	<b>420,679</b>	<b>1,960,408</b>	<b>847,103</b>
<b>Ending Balance</b>	<b>6,857,643</b>	<b>5,398,689</b>	<b>5,584,532</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Emergency Repair Program-HHERP*

**Reserve Number(s):** *102045*

**Date Established:** *2001*

**Source of Funds:** *From the consolidation of the Hamilton Assistance Rehabilitation Program (HARP)*

**Purpose:** *Provide emergency funding for repairs for housing located in urban areas.*

**Comments:** *This reserve was initially approved by Council in 2001 for emergency repairs for housing located in urban areas. The program was not implemented and since that time has been gathering interest. Future allocation from this reserve is on hold pending a report to E&CS Committee on November 12, 2012 regarding the Neighbourhood Down Payment Assistance Program. It is anticipated that expenditures will not be drawn from the reserve until 2013.*

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>218,483</b>	<b>224,277</b>	<b>229,870</b>
<b>Add:</b>			
Interest Earned	5,794	5,593	5,747
	<b>5,794</b>	<b>5,593</b>	<b>5,747</b>
<b>Ending Balance</b>	<b>224,277</b>	<b>229,870</b>	<b>235,617</b>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** HomeStart Program

**Reserve Number(s):** 112009

**Date Established:** May 24th, 2006 SSC06012

**Source of Funds:** Closing and Transfer of funds from two existing programs:  
  
Hamilton Convert to Rent Program # 102046  
Housing Hamilton Innovations Fund # 6290341102

**Purpose:** Provide financial assistance to City Housing Hamilton social housing tenant households in the form of a grant to a maximum of \$4,500. The grant will be used as a down payment to purchase a home in the City of Hamilton.

**Comments:** This reserve was initially approved by Council in 2006 as a down payment assistance program for City Housing Hamilton tenants to purchase a home. Program take-up was minimal due to more attractive funding and less restrictive eligibility through the Home Ownership component of the Canada-Ontario Affordable Housing Program. The program is now complete. Future allocation from this reserve is on hold pending a report to E&CS Committee on November 12, 2012 regarding the Neighbourhood Down Payment Assistance Program. It is anticipated that expenditures will not be drawn from the reserve until 2013.

**Sustainable:** No

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>325,106</b>	<b>325,066</b>	<b>319,476</b>
<b>Add:</b>			
Interest Earned	8,480	7,910	7,987
	<b>8,480</b>	<b>7,910</b>	<b>7,987</b>
<b>Less:</b>			
Down Payment Assistance Program	8,520	13,500	0
	<b>8,520</b>	<b>13,500</b>	<b>0</b>
<b>Ending Balance</b>	<b>325,066</b>	<b>319,476</b>	<b>327,463</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Provincial Rent Bank Reserve*

**Reserve Number(s):** *112222*

**Date Established:** *Sept 21, 2011 FCS110068*

**Source of Funds:** *Provincial Government*

**Purpose:** *To provide immediate assistance to low income households that due to emergency circumstances are in short-term arrears and facing eviction.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Add:</b>			
Interest Earned	0	0	0
Provincial Funding for the Rent Bank Fund	0	0	240,247
	<b>0</b>	<b>0</b>	<b>240,247</b>
<b>Less:</b>			
Rent Bank Disbursals	0	0	240,247
	<b>0</b>	<b>0</b>	<b>240,247</b>
<b>Ending Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Federal Housing Initiatives*

**Reserve Number(s):** *112239*

**Date Established:** *April 25, 2007 FCS07050*

**Source of Funds:** *One-time Federal Affordable Housing Funds flowed through the Province of Ontario to the City of Hamilton.*

**Purpose:** *Initially the Province stated that the funds were to be used for Affordable Housing which includes a broad range of housing and homelessness programming based on local need.*

**Comments:** *Under Bill C 48, the Federal Government released financial commitments relating to affordable housing and transit to the Provinces. The 2007 provincial Budget, announced the commitment to Ontario municipalities (DOORS). A subsequent report (ECS08007) transferred half of the \$6,580,000 to Emergency Capital (112248) and the remainder to be used for housing and homelessness related programs. Report ECS08007 delegated responsibility for approving DOOR funding to the General Manager of Community Services. The funding has been directed to the implementation of the Blueprint for Emergency Shelter Services per Report CS09015 (a). Report CS09015 (b) informed Council that this funding will continue to be used on an interim basis for Emergency Shelter Services.*

**Sustainable:** *Yes*

	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>Projected 2012</u></b>
<b>Beginning Balance</b>	<b>3,169,415</b>	<b>2,096,126</b>	<b>1,408,787</b>
<b>Add:</b>			
Interest Earned	64,809	32,164	26,893
	<b>64,809</b>	<b>32,164</b>	<b>26,893</b>
<b>Less:</b>			
Transitions to Homes (T2H)	0	149,503	319,721
Mary's Place Intensive Case Management	0	100,000	100,000
GSC Notre Dame Shelter for Youth	0	120,000	69,740
Day Services Review	0	0	50,000
Supporting our Sisters (SOS) Program	0	0	50,000
HIFIS Citrix Project	0	0	40,000
2011 Salvation Army Standard Supplement	0	0	31,815
Housing Help Centre	0	0	4,884
Notre Dame Community Resource Centre	0	200,000	0
Start-Up Costs for new Mary's Place	0	150,000	0
Blueprint for Emergency Shelters	1,138,098	0	0
	<b>1,138,098</b>	<b>719,503</b>	<b>666,160</b>
<b>Ending Balance</b>	<b>2,096,126</b>	<b>1,408,787</b>	<b>769,520</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Social Housing Transition Reserve*

**Reserve Number(s):** *112244*

**Date Established:** *2003*

**Source of Funds:** *Federal Government Contribution*

**Purpose:** *To cover costs associated with the download of housing to the municipality as the Service Manager. It is to cover costs related to equipment, office space, supplies and other administrative costs .*

**Comments:** *In the past, the funds have been used to fund the administration of Social Housing Projects In Difficulty, such as First Place, CityHousing Hamilton. The balance is being held for the purchase of a software program for the administration of the social housing program. The software is needed for reporting commitments to both the federal and provincial governments. Housing Services Division staff is working with other municipal service managers in the development and purchase of this software program. It is anticipated that a report will be provided to E&CS Committee in September 2012 with options regarding the purchase of the software package in partnership with other Service Managers.*

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>85,514</b>	<b>64,195</b>	<b>65,796</b>
<b>Add:</b>			
Interest Earned	-2	1,601	1,645
	<b>-2</b>	<b>1,601</b>	<b>1,645</b>
<b>Less:</b>			
Social Housing administrative software	0	0	67,441
CCH Operational Review	21,317	0	0
	<b>21,317</b>	<b>0</b>	<b>67,441</b>
<b>Ending Balance</b>	<b>64,195</b>	<b>65,796</b>	<b>0</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Social Housing Reserve Fund*

**Reserve Number(s):** *112248*

**Date Established:** *2003*

**Source of Funds:** *Federal Government Contribution*

**Purpose:** *Capital reserve received from the Federal Government to fund capital needs for social housing.*

**Comments:** *Social housing providers may request a grant when they require funding for emergency capital repairs or in exceptional situations for their social housing stock when there are inadequate financial resources to cover the cost. The reserve may also be accessed for building reviews for social housing stock that is in financial difficulty. A new procedure for accessing this reserve was approved by Council per Report CS10094(a) on March 9, 2011. As this reserve is accessed on an emergency basis and on the approval of Council, in-year expenditures cannot be forecast*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>7,445,773</b>	<b>3,759,752</b>	<b>3,370,515</b>
<b>Add:</b>			
Interest Earned	159,197	88,588	75,839
	<b>159,197</b>	<b>88,588</b>	<b>75,839</b>
<b>Less:</b>			
Commercial Rent Supplements	356,753	0	298,500
Capital Repairs including Accessible Unit Conversion	1,118,975	253,927	253,473
Capital Repairs (2008 Program)	2,369,490	223,898	121,950
	<b>3,845,218</b>	<b>477,825</b>	<b>673,923</b>
<b>Ending Balance</b>	<b>3,759,752</b>	<b>3,370,515</b>	<b>2,772,430</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Downtown Housing Initiatives*

**Reserve Number(s):** *112249*

**Date Established:** *May 25, 2005*

**Source of Funds:** *Surplus from Capital Work in Progress Accounts*

**Purpose:** *Assist in the funding of proposed Downtown Housing Initiatives.*

**Comments:** *This fund was set up for the benefit of the redevelopment of 95 King Street East. Funds from this reserve were utilized in 2010 to assist in the conversion of the building located at 95 King Street East to live-work space for artists. Construction for this conversion will begin in 2012 and these funds may be required to ensure completion of the project.*

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>397,605</b>	<b>20,848</b>	<b>21,368</b>
<b>Add:</b>			
Interest Earned	7,244	520	534
	<b>7,244</b>	<b>520</b>	<b>534</b>
<b>Less:</b>			
95 King Street East, Proposed Artists Live/Work Development	384,000	0	0
	<b>384,000</b>	<b>0</b>	<b>0</b>
<b>Ending Balance</b>	<b>20,848</b>	<b>21,368</b>	<b>21,902</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Supplement/Housing Allowance Reserve*

**Reserve Number(s):** *112252*

**Date Established:** *March 11,2009 CS09023*

**Source of Funds:** *Federal Funding and the Hamilton Future Fund. Effective October 2013, federal/provincial Investment in Affordable Housing Program funding.*

**Purpose:** *To provide rent supplement or housing allowances for low income households. This reserve is one time funding for a five year period commencing October 2008 and ending October 2013. From 2013-2018, the rent supplement and housing allowance program will be funded through the federal/provincial Investment in Affordable Housing Program. Eligible households receive either \$200 or \$250 per month towards their rent.*

*The amount of the allowance is determined by whether the household is participating in the Transitions to Homes Program (T2H) or not.*

*Provincial funding for the Rent Bank Program is no longer connected to this Reserve Fund.*

**Comments:** *Delivery of this program is underway with immediate success.*

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>1,954,964</b>	<b>1,490,431</b>	<b>1,558,391</b>
<b>Add:</b>			
Interest Earned	51,904	37,946	37,653
From the Rent Bank Fund	226,648	240,247	0
Short Term Housing HA retro'10	0	135,793	0
	<b>278,552</b>	<b>413,986</b>	<b>37,653</b>
<b>Less:</b>			
Housing Allowance Payments	485,272	105,778	104,560
Rent Bank Disbursals	257,812	240,247	0
	<b>743,084</b>	<b>346,025</b>	<b>104,560</b>
<b>Ending Balance</b>	<b>1,490,431</b>	<b>1,558,391</b>	<b>1,491,484</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Social Housing Renovation and Retrofit Reserve (SHRRP)*

**Reserve Number(s):** *112253*

**Date Established:** *Sept 16, 2009 CS09060*

**Source of Funds:** *Provincial/Federal Government*

**Purpose:** *The funding is for capital repair/renovations and energy efficiency enhancements to all eligible social housing providers, including CityHousing Hamilton that are administered by the City of Hamilton under the Housing Services Act (2011).*

**Comments:** *No commitment has been made by the Province for further funding for this program. All funding has been fully committed and will be fully disbursed by the end of 2012*

**Sustainable:** *One-Time This is time limited funding.*

	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>Projected 2012</u></b>
<b>Beginning Balance</b>	<b>8,500,690</b>	<b>8,685,572</b>	<b>1,872,514</b>
<b>Add:</b>			
Interest Earned	247,805	141,235	23,117
Provincial Funding	23,625,564	11,819,693	2,888,534
	<b>23,873,370</b>	<b>11,960,928</b>	<b>2,911,652</b>
<b>Less:</b>			
Repairs	23,644,645	18,734,132	4,667,862
Administrative Recovery	43,842	39,854	116,304
	<b>23,688,487</b>	<b>18,773,986</b>	<b>4,784,166</b>
<b>Ending Balance</b>	<b>8,685,572</b>	<b>1,872,514</b>	<b>0</b>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Revolving Home Ownership Reserve*

**Reserve Number(s):** *112254*

**Date Established:** *Sept 16,2009 CS09060(d)*

**Source of Funds:** *Provincial and Federal governments*

**Purpose:** *Funds are to be used to offer down payment assistance to qualified first time buyers of residential homes. The criteria is outlined in the Canada Ontario Affordable Housing Program Homeownership Program. and the Investment in Affordable Housing Homeownership Program .*

**Comments:** *All funding has been allocated.*

**Sustainable:** *Yes This is a revolving plan and is dependant upon funding from the repayment of existing loans where the property is sold before the 20 year forgiveness window is reached.*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>26,010</b>	<b>83,012</b>
<b>Add:</b>			
Interest Earned	310	1,315	1,025
From Operating Fund	32,900	68,066	0
	<b>33,210</b>	<b>69,380</b>	<b>1,025</b>
<b>Less:</b>			
Repairs	7,200	12,379	84,037
	<b>7,200</b>	<b>12,379</b>	<b>84,037</b>
<b>Ending Balance</b>	<b>26,010</b>	<b>83,012</b>	<b>0</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Golf Course Improvement*

**Reserve Number(s):** *104060*

**Date Established:** *1998*

**Source of Funds:** *Golf Courses' operating budget surpluses.*

**Purpose:** *This reserve is for the golf course capital improvements. The capital work is centered on the clubhouses, irrigation improvements that would allow the courses to be removed from city water for irrigation and general maintenance to improve the golf courses. The golf business plan's goal is to be self-sustaining with no financial impact on the tax levy.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>452,644</b>	<b>-52,866</b>	<b>316,681</b>
<b>Add:</b>			
Interest Earned	11,024	-2,010	6,917
Project Closures - Unused Funds	381,994	586,222	0
	<b>393,018</b>	<b>584,212</b>	<b>6,917</b>
<b>Less:</b>			
Capital Improvements	539,215	80,000	80,000
Operating Deficit	359,313	134,664	0
	<b>898,528</b>	<b>214,664</b>	<b>80,000</b>
<b>Ending Balance</b>	<b>-52,866</b>	<b>316,681</b>	<b>243,598</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Four Pad Arena Capital Reserve*

**Reserve Number(s):** *108038*

**Date Established:** *2005*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *To Fund Capital Repairs at the Four Pad Arena*

**Comments:** *Annual contributions were initially set at \$75,000 per year, increased to \$100,000 per year effective in 2009 Further increased to \$125,000 for 2011. Agreement with Nustadia to continue with \$125,000 in 2012.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>649,441</b>	<b>434,507</b>	<b>531,421</b>
<b>Add:</b>			
Interest Earned	18,179	11,987	13,698
Provision for Capital Replacement	99,996	125,004	125,000
	<b>118,175</b>	<b>136,991</b>	<b>138,698</b>
<b>Less:</b>			
Capital Expenditures	183,109	40,077	92,000
To Four Pad Arena Stabilization-1100049 CS10019	150,000	0	0
	<b>333,109</b>	<b>40,077</b>	<b>92,000</b>
<b>Ending Balance</b>	<b>434,507</b>	<b>531,421</b>	<b>578,119</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Four Pad Stabilization Reserve*

**Reserve Number(s):** *110049*

**Date Established:** *2005*

**Source of Funds:** *Annual Surpluses from Quad Pad Operations*

**Purpose:** *To offset future budget shortfalls.*

**Comments:** *The reserve is to have a maximum balance of \$250,000, plus interest accumulated.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>30,000</b>	<b>210,796</b>	<b>246,052</b>
<b>Add:</b>			
Interest Earned	796	5,257	6,151
Program Surplus	30,000	30,000	0
From Four Pad Arena Capital Reserve- 108038 CS10019	150,000	0	0
	<hr/> <b>180,796</b>	<hr/> <b>35,257</b>	<hr/> <b>6,151</b>
<b>Ending Balance</b>	<hr/> <b>210,796</b> <hr/> <hr/>	<hr/> <b>246,052</b> <hr/> <hr/>	<hr/> <b>252,204</b> <hr/> <hr/>

**THE CITY OF HAMILTON  
2011 RESERVE REPORT  
RESERVE BALANCES**

	<b>2010</b>	<b>2011</b>	<b>Projected 2012</b>	<b>Reserve Sustainable</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	
<b><u>Public Health</u></b>				
112219      Public Health Services Reserves	224,915	267,485	274,172	Yes
<b>Total Public Health</b>	<b><u><u>224,915</u></u></b>	<b><u><u>267,485</u></u></b>	<b><u><u>274,172</u></u></b>	

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Public Health Services Reserves*

**Reserve Number(s):** *112219*

**Date Established:** *Oct 24, 2007 BOH07051*

**Source of Funds:** *Future surpluses of Enhanced Hepatitis Strain Surveillance System Program*

**Purpose:** *Public Health Services is primarily funded through the Ministry of Health and Long-Term Care at either 75% or 100%. These annual Budgets are capped and any excess expenditure is not subsidized. The availability of reserve funds will ensure PHS is able to provide Public health programming if required outside of the traditional Funding envelopes while reducing financial risks to taxpayers in the future.*

**Comments:** *Public Health Services (PHS) entered into an agreement with the Public Health Agency of Canada (PHAC) in June 2006 to deliver the Enhanced Hepatitis Strain Surveillance System (EHSSS). 100% funding is provided at \$50,000 per fiscal year and any surplus funding remains with the City. The current annual contract provides for the collection of additional risk factor data for Hepatitis B and C cases and is for the period April 1, 2011 through March 31, 2012. An extension to the contract is in place for 3 months through to June 30, 2012 and pending approval for the remaining 9 months from PHAC.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>197,884</b>	<b>224,915</b>	<b>267,485</b>
<b>Add:</b>			
Interest Income	5,247	5,609	6,687
Surplus in Enhanced Hepatitis Strain Surveillance System Program	21,784	36,960	0
	<u><b>27,032</b></u>	<u><b>42,569</b></u>	<u><b>6,687</b></u>
<b>Ending Balance</b>	<u><u><b>224,915</b></u></u>	<u><u><b>267,485</b></u></u>	<u><u><b>274,172</b></u></u>

**THE CITY OF HAMILTON**  
**2011 RESERVE REPORT**  
**RESERVE BALANCES**

		<b>2010</b>	<b>2011</b>	<b>Projected 2012</b>	<b>Reserve Sustainable</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	
<b><i>Library Reserves</i></b>					
106005	Reserve For Mobile Equipment	194,866	129,726	56,562	Yes
106006	Library Collections	1,176,333	1,213,569	348,930	Yes
106007	Library General Development	1,414,752	1,150,859	794,419	Yes
106008	Library Major Capital Projects	2,139,170	3,071,661	2,044,327	Yes
106009	Summer Reading Program	446,140	457,266	306,901	Yes
106011	Redeployment & Training Fund	364,294	373,379	382,713	Yes
106012	Youth Programming Reserve	13,001	13,325	13,658	Yes
106013	Accessibility, Renewal and Health & Safety Reserve	22,415	222,974	329,798	Yes
106014	Library-Computer Reserve Fund	200,000	337,988	481,100	Yes
<b><i>Total Library Reserves</i></b>		<b><u>5,970,970</u></b>	<b><u>6,970,744</u></b>	<b><u>4,758,407</u></b>	

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Reserve For Mobile Equipment*  
**Reserve Number(s):** *106005*  
**Date Established:** *Nov 21, 2001*  
**Source of Funds:** *Contributions from Operating Fund*  
**Purpose:** *To Purchase Mobile Equipment including the Bookmobile.*  
**Comments:**  
**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>160,607</b>	<b>194,866</b>	<b>129,726</b>
<b>Add:</b>			
Interest Earned	4,259	4,860	2,300
Provision for Mobile Equipment	30,000	30,000	30,000
Repay Energy Retrofit from Savings	0	0	14,537
	<u><b>34,259</b></u>	<u><b>34,860</b></u>	<u><b>46,837</b></u>
<b>Less:</b>			
New Integrated Library System (ILS)	0	0	120,000
Loan to Lighting and Energy Savings – Retrofit	0	100,000	0
	<u><b>0</b></u>	<u><b>100,000</b></u>	<u><b>120,000</b></u>
<b>Ending Balance</b>	<u><u><b>194,866</b></u></u>	<u><u><b>129,726</b></u></u>	<u><u><b>56,562</b></u></u>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Library Collections*

**Reserve Number(s):** *106006*

**Date Established:** *Nov 21, 2001*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *To smooth out the impact of Library collections purchases on the operating budget.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected <u>2012</u></b>
<b>Beginning Balance</b>	<b>1,128,932</b>	<b>1,176,333</b>	<b>1,213,569</b>
<b>Add:</b>			
Interest Earned	29,937	29,336	19,290
Government Incentive – Energy Savings	0	0	35,353
Donations/Grants/Lost Material	17,465	7,900	12,683
	<u>47,402</u>	<u>37,236</u>	<u>67,326</u>
<b>Less:</b>			
RFID ((R)adio (f)requency (I'd)entification))	0	0	386,118
Loan to Lighting and Energy Savings – Retrofit	0	0	295,847
Library Material - Waterdown	0	0	250,000
	<u>0</u>	<u>0</u>	<u>931,965</u>
<b>Ending Balance</b>	<u><u>1,176,333</u></u>	<u><u>1,213,569</u></u>	<u><u>348,930</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Library General Development*

**Reserve Number(s):** *106007*

**Date Established:** *Nov 21, 2001*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *To smooth out the impact of General Development costs on the operating budget.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected <u>2012</u></b>
<b>Beginning Balance</b>	<b>1,356,601</b>	<b>1,414,752</b>	<b>1,150,859</b>
<b>Add:</b>			
Interest Earned	36,226	35,437	24,016
Government Incentive – Energy Savings	0	0	41,824
Printer Revenue	21,925	50,669	21,000
From Operating	0	0	9,000
	<b>58,151</b>	<b>86,106</b>	<b>95,840</b>
<b>Less:</b>			
New Integrated Library System (ILS)	0	0	280,000
Printer Upgrades	0	0	172,280
Loan to Lighting and Energy Savings – Retrofit	0	350,000	0
Provision for Grounds Repair- to 106008	0	0	0
	<b>0</b>	<b>350,000</b>	<b>452,280</b>
<b>Ending Balance</b>	<b>1,414,752</b>	<b>1,150,859</b>	<b>794,419</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Library Major Capital Projects*  
**Reserve Number(s):** *106008*  
**Date Established:** *Nov 21, 2001*  
**Source of Funds:** *Contributions from Operating Fund*  
**Purpose:** *Provision for Library Capital Projects*  
**Comments:**  
**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>4,085,889</b>	<b>2,139,170</b>	<b>3,071,661</b>
<b>Add:</b>			
Interest Earned	104,240	53,347	63,160
Operating Surplus	1,283,746	1,579,396	0
Provision for Grounds Repair	9,000	9,000	0
Prior Period Adjustment	112,030	0	0
	<b>1,509,017</b>	<b>1,641,743</b>	<b>63,160</b>
<b>Less:</b>			
RFID ((R)adio (f)requency (I'd)entification))	1,109,400	357,644	455,066
Locke Street Improvements	0	0	287,071
Sherwood Tenant Allowance	0	0	186,000
Central Library Improvements	986,035	351,608	162,357
Public Computing	172,300	0	0
Branch Renovations	110,000	0	0
Sherwood and Terryberry Renovations	600,000	0	0
Lynden Branch Library Improvements	478,000	0	0
	<b>3,455,736</b>	<b>709,252</b>	<b>1,090,494</b>
<b>Ending Balance</b>	<b>2,139,170</b>	<b>3,071,661</b>	<b>2,044,327</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Summer Reading Program*  
**Reserve Number(s):** *106009*  
**Date Established:** *Nov 21, 2001*  
**Source of Funds:** *Contributions from Operating Fund*  
**Purpose:** *Used as a Working fund for the Summer Reading Program*  
**Comments:**  
**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>519,271</b>	<b>446,140</b>	<b>457,266</b>
<b>Add:</b>			
Interest Earned	13,695	11,126	9,434
Provision for Summer Reading Program	0	0	60,327
Government Incentive – Energy Savings	0	0	29,874
	<u><b>13,695</b></u>	<u><b>11,126</b></u>	<u><b>99,635</b></u>
<b>Less:</b>			
Loan to Lighting and Energy Savings – Retrofit	0	0	250,000
Program Shortfall	16,826	0	0
Early Literacy Station Deployment	70,000	0	0
	<u><b>86,826</b></u>	<u><b>0</b></u>	<u><b>250,000</b></u>
<b>Ending Balance</b>	<u><u><b>446,140</b></u></u>	<u><u><b>457,266</b></u></u>	<u><u><b>306,901</b></u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Redeployment & Training Fund*  
**Reserve Number(s):** *106011*  
**Date Established:** *Nov 21, 2001*  
**Source of Funds:** *OMERS Contribution Holiday Savings*  
**Purpose:** *Created to offset employee related restructuring costs due to amalgamation*  
**Comments:**  
**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>354,883</b>	<b>364,294</b>	<b>373,379</b>
<b>Add:</b>			
Interest Earned	9,411	9,085	9,334
	<b>9,411</b>	<b>9,085</b>	<b>9,334</b>
<b>Ending Balance</b>	<b>364,294</b>	<b>373,379</b>	<b>382,713</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Youth Programming Reserve*

**Reserve Number(s):** *106012*

**Date Established:** *2004*

**Source of Funds:** *Unexpended year end balances that were received by way of donation or grant for the Youth Program.*

**Purpose:** *Fund youth programs subject to the terms specified by the said donation or grant.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>12,665</b>	<b>13,001</b>	<b>13,325</b>
<b>Add:</b>			
Interest Earned	336	324	333
	<b>336</b>	<b>324</b>	<b>333</b>
<b>Ending Balance</b>	<b>13,001</b>	<b>13,325</b>	<b>13,658</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Accessibility, Renewal and Health & Safety Reserve*

**Reserve Number(s):** *106013*

**Date Established:** *November 15, 2006 - HPL Board*

**Source of Funds:** *An Annual Contribution Of \$100,000 From The Operating Budget*

**Purpose:** *Fund Renovations To Branches Related To Accessibility, Renewal Or Health & Safety Issues.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>314,086</b>	<b>22,415</b>	<b>222,974</b>
<b>Add:</b>			
Interest Earned	8,329	559	6,824
From Operating	100,000	200,000	100,000
	<b>108,329</b>	<b>200,559</b>	<b>106,824</b>
<b>Less:</b>			
Sherwood and Terryberry Improvements	300,000	0	0
Branch Renovations	100,000	0	0
	<b>400,000</b>	<b>0</b>	<b>0</b>
<b>Ending Balance</b>	<b>22,415</b>	<b>222,974</b>	<b>329,798</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Library-Computer Reserve Fund*

**Reserve Number(s):** *106014*

**Date Established:** *Dec 8, 2010 Library Board*

**Source of Funds:** *Unused Operating Funds for Computer Purchases.*

**Purpose:** *To Maximize the Libraries ability to keep up with changes in Technology and Usage by being flexible in the replacement schedule and replacing equipment at the end of its useful life rather than a fixed replacement schedule.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>200,000</b>	<b>337,988</b>
<b>Add:</b>			
Interest Earned	0	4,988	10,112
From Operating	200,000	133,000	133,000
	<b>200,000</b>	<b>137,988</b>	<b>143,112</b>
<b>Ending Balance</b>	<b>200,000</b>	<b>337,988</b>	<b>481,100</b>



**THE CITY OF HAMILTON**  
**2011 RESERVE REPORT**  
**RESERVE BALANCES**

		2010	2011	Projected 2012	Reserve Sustainable
		\$	\$	\$	
<b><u>Planning &amp; Development Reserves</u></b>					
<b><i>Development Related Reserves</i></b>					
100045	Services for New Subdivisions	3,141,132	3,219,466	3,299,953	Yes
108042	Red Hill Industrial Park Reserve	18,555,125	25,809,619	7,139,507	Yes
110060	Shovel Ready Industrial Land Reserve	4,634,551	4,584,653	3,911,967	Yes
110086	Development Fees Stabilization	1,727,073	1,695,870	1,610,860	Yes
112004	Brownfields Program Reserve	248,701	254,903	163,063	Yes
115090	Cash in Lieu Sidewalks-Flamborough	164,980	169,094	173,321	Yes
117012	Developer Deposits - Roads (SC)	799,050	818,977	839,451	Yes
<b><i>Sub-total Development Related Reserves</i></b>		<b>29,270,611</b>	<b>36,552,582</b>	<b>17,138,121</b>	
<b><i>Downtown/BIA's/Heritage Reserves</i></b>					
100005	Revolving Fund-Historic Properties	363,900	372,975	382,299	Yes
102047	Community Heritage Program-CHIRP	42,891	278,053	285,004	One-Time
102048	Main Street Program Reserve	1,880,983	1,898,394	1,054,854	Yes
102049	Hamilton Community Heritage Fund	828,501	843,134	858,239	Yes
108036	Downtown Hamilton Capital Program	225,595	319,440	327,426	Yes
112006	LACAC Publications Reserve	13,713	14,055	14,696	Yes
112211	Heritage Studies Reserve	37,120	38,046	38,997	Yes
112229	Commercial Property Improvement Grant (C.P.I.G.) Reserve	499,354	486,807	381,746	Yes
<b><i>Sub-total Downtown/BIA's/Heritage Reserves</i></b>		<b>3,892,058</b>	<b>4,250,905</b>	<b>3,343,262</b>	
<b><i>Planning-Other Reserves</i></b>					
100035	Property Purchases	1,135,625	1,390,207	1,458,006	Yes
108021	Parking Capital Reserve	3,371,263	3,370,529	1,772,878	Yes
112207	Upwind & Downwind Conference	26,008	26,656	19,223	Yes
112208	Destination Marketing Reserve	382,138	432,159	442,963	Yes
112221	Economic Development Investment Fund	1,474,376	1,792,095	1,636,928	Yes
112231	Conventions/Sports Events Reserve	109,350	117,639	119,163	Yes
115085	HMPS Cash in Lieu of Parking Reserve	184,576	189,179	193,908	Yes
117024	Animal Shelter Reserve Fund	23,442	24,846	2,180	Yes
<b><i>Sub-total Planning-Other Reserves</i></b>		<b>6,706,778</b>	<b>7,343,311</b>	<b>5,645,249</b>	

**THE CITY OF HAMILTON**  
**2011 RESERVE REPORT**  
**RESERVE BALANCES**

	2010	2011	Projected 2012	Reserve Sustainable	
	\$	\$	\$		
<b><u>Planning &amp; Development Reserves</u></b>					
<b>Culture Reserves</b>					
100036	Auchmar Estates - Repairs	5,417	7,674	9,891	No
102015	Hamilton-Scourge Foundation	22,663	23,228	1,125	No
104080	Reserve For Various Museums	169,235	181,510	191,321	Yes
108044	Public Art Reserve	285,356	292,473	299,784	Yes
<b>Sub-total Culture Reserves</b>		<b>482,671</b>	<b>504,885</b>	<b>502,121</b>	
<b>Airport Reserves</b>					
108043	Airport Capital Reserve	157,260	216,427	253,545	Yes
112217	Airport Joint Marketing Reserve Fund	119,667	169,196	132,567	Yes
<b>Sub-total Airport Reserves</b>		<b>276,927</b>	<b>385,623</b>	<b>386,112</b>	
<b>Total Planning &amp; Development Reserves</b>		<b>40,629,045</b>	<b>49,037,307</b>	<b>27,014,865</b>	

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Services for New Subdivisions*

**Reserve Number(s):** 100045

**Date Established:** 1964

**Source of Funds:** *Sale of 1 foot (0.3 metres) reserves.*

**Purpose:** *To finance City's share of services in subdivisions for installation of roads, catch basins, curbs and walks, fencing , trees, street lighting.*

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>3,059,988</b>	<b>3,141,132</b>	<b>3,219,466</b>
<b>Add:</b>			
Interest Earned	81,144	78,334	80,487
	<u>81,144</u>	<u>78,334</u>	<u>80,487</u>
<b>Ending Balance</b>	<u><u>3,141,132</u></u>	<u><u>3,219,466</u></u>	<u><u>3,299,953</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Red Hill Industrial Park Reserve*

**Reserve Number(s):** *108042*

**Date Established:** *May 24, 2006 FCS06042*

**Source of Funds:** *Provincial Contribution of \$20 million in 2006.  
Contribution from Development Charges*

**Purpose:** *To facilitate servicing and expansion of the Red Hill Industrial Park. Opens up 690 acres for development.*

**Comments:** *Between 2012 and 2013 \$20.2 million is planned to be expended.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>18,205,899</b>	<b>18,555,125</b>	<b>25,809,619</b>
<b>Add:</b>			
Interest Earned	482,693	597,384	406,779
From Development Charges	0	10,000,000	0
	<b>482,693</b>	<b>10,597,384</b>	<b>406,779</b>
<b>Less:</b>			
Dartnall Road Improvements	99,376	3,969	12,124,460
Storm Ponds' Construction	0	0	2,900,000
Glover Road Improvements	0	0	1,950,000
Rymal Road Improvements	0	0	1,600,000
Twenty Road Improvements	13,648	863,921	502,431
Property Purchases	0	2,475,000	0
Miscellaneous Improvements	20,443	0	0
	<b>133,467</b>	<b>3,342,890</b>	<b>19,076,892</b>
<b>Ending Balance</b>	<b>18,555,125</b>	<b>25,809,619</b>	<b>7,139,507</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Shovel Ready Industrial Land Reserve*

**Reserve Number(s):** *110060*

**Date Established:** *October, 1990*

**Source of Funds:** *Sale of Industrial Lands*

**Purpose:** *That the goal for the City is to acquire a 10 year supply of industrial land. And that this amount be determined by the City's annual absorption rate based on a 10 year trend;*

*That the initial targeted areas for property acquisition in the short term be focused to the Red Hill Business Park; for use in the development of other industrial parks.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>4,677,632</b>	<b>4,634,551</b>	<b>4,584,653</b>
<b>Add:</b>			
Interest Earned	122,142	113,834	104,897
	<b>122,142</b>	<b>113,834</b>	<b>104,897</b>
<b>Less:</b>			
Storm Ponds - Ancaster and Stoney Creek	0	0	600,000
Fund Director - Industrial Parks & Airport Development	165,222	163,733	177,583
	<b>165,222</b>	<b>163,733</b>	<b>777,583</b>
<b>Ending Balance</b>	<b>4,634,551</b>	<b>4,584,653</b>	<b>3,911,967</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Development Fees Stabilization*

**Reserve Number(s):** *110086*

**Date Established:** *Nov 21, 2001*

**Source of Funds:** *Annual operating surplus from the Development Division*

**Purpose:** *This reserve was established in order to minimize the impact of development fee fluctuations due to changes in economy and construction activity.*

**Comments:** *In the past few years there has been approval via program enhancements items to hire and fund new temporary positions ( 2 years) from this reserve.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>2,219,635</b>	<b>1,727,073</b>	<b>1,695,870</b>
<b>Add:</b>			
Interest Earned	57,221	40,944	40,824
Operating Surplus	0	132,661	33,165
	<b>57,221</b>	<b>173,605</b>	<b>73,989</b>
<b>Less:</b>			
Fund Non Dev. Eng and Planning Temporary Staff	145,691	148,808	153,000
Data Management Natural Areas	6,000	6,000	6,000
Digital Tracking-Planning Apps	0	50,000	0
Fund Revenue Shortfall & Temp Staff in Dev Eng & Planning	367,385	0	0
Geo-Media Licence cost	30,707	0	0
	<b>549,783</b>	<b>204,808</b>	<b>159,000</b>
<b>Ending Balance</b>	<b>1,727,073</b>	<b>1,695,870</b>	<b>1,610,860</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Brownfields Program Reserve*

**Reserve Number(s):** *112004*

**Date Established:** *April 24th, 2006*

**Source of Funds:** *Provincial Funding for Brownfields*

**Purpose:** *Brownfield and Economic Development initiatives*

**Comments:** *The Reserve has committed \$ 3.0 million towards Council Capital Priority Projects.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>242,276</b>	<b>248,701</b>	<b>254,903</b>
<b>Add:</b>			
Interest Earned	6,425	6,202	5,160
	<b>6,425</b>	<b>6,202</b>	<b>5,160</b>
<b>Less:</b>			
Beasley Neighbourhood Community Centre COW 08-020	0	0	97,000
	<b>0</b>	<b>0</b>	<b>97,000</b>
<b>Ending Balance</b>	<b>248,701</b>	<b>254,903</b>	<b>163,063</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Cash in Lieu Sidewalks-Flamborough*

**Reserve Number(s):** *115090*

**Date Established:** *1993*

**Source of Funds:** *Subdivision and Site Plan Agreements*

**Purpose:** *To provide funds for the provision of new sidewalks in the Former Town of Flamborough.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>160,718</b>	<b>164,980</b>	<b>169,094</b>
<b>Add:</b>			
Interest Earned	4,262	4,114	4,227
	<b>4,262</b>	<b>4,114</b>	<b>4,227</b>
<b>Ending Balance</b>	<b>164,980</b>	<b>169,094</b>	<b>173,321</b>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Developer Deposits - Roads (SC)*

**Reserve Number(s):** *117012*

**Date Established:** *Pre-2001*

**Source of Funds:** *Deposits from Developers*

**Purpose:** *To bring roads up to standard in order to accommodate new development in the former City of Stoney Creek.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>778,408</b>	<b>799,050</b>	<b>818,977</b>
<b>Add:</b>			
Interest Earned	<u>20,642</u>	<u>19,927</u>	<u>20,474</u>
	<b>20,642</b>	<b>19,927</b>	<b>20,474</b>
 <b>Ending Balance</b>	 <u><u>799,050</u></u>	 <u><u>818,977</u></u>	 <u><u>839,451</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Revolving Fund-Historic Properties*

**Reserve Number(s):** *100005*

**Date Established:** *December 1980*

**Source of Funds:** *Land Sales*  
*Initially funded from the Sale of "Sandy Place" in the amount of \$100,000 as per items 13/ 14 of the 1st Report of the Finance Committee approved by Council December 9th, 1990.*

**Purpose:** *Originally the reserve was set up to acquire Historical Properties in accordance with an agreement dated June 25, 1976 between the Ontario Heritage Foundation and the City of Hamilton. Recently approved Real Estate Management Plan calls for a revolving fund for heritage properties with the primary purpose of maintaining City -owned heritage buildings only during municipal ownership and to provide funding for special requirements established in the protocol for the disposition and conservation management of heritage properties.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>354,500</b>	<b>363,900</b>	<b>372,975</b>
<b>Add:</b>			
Interest Earned	9,400	9,075	9,324
	<b>9,400</b>	<b>9,075</b>	<b>9,324</b>
<b>Ending Balance</b>	<b>363,900</b>	<b>372,975</b>	<b>382,299</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Community Heritage Program-CHIRP*

**Reserve Number(s):** *102047*

**Date Established:** *2001*

**Source of Funds:** *Unspent grant monies approved via 2004 & 2005 annual capital budget process. In 2007 additional funding of \$120K was approved for 2007 grant program.*

**Purpose:** *To act as revolving fund to pay for future CHIRP grants. Program provides assistance in form of a matching 50% grant to a maximum of \$20k for eligible heritage conservation work.*

**Comments:** *The CHIRP program has been discontinued and Planning staff will be coming forward with plan for future use of this reserve.*

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<b>Projected <u>2012</u></b>
<b>Beginning Balance</b>	<b>153,462</b>	<b>42,891</b>	<b>278,053</b>
<b>Add:</b>			
Interest Earned	2,685	4,936	6,951
CHIRP Funding	0	280,060	0
	<b>2,685</b>	<b>284,996</b>	<b>6,951</b>
<b>Less:</b>			
Approved grants	113,255	49,834	0
	<b>113,255</b>	<b>49,834</b>	<b>0</b>
<b>Ending Balance</b>	<b>42,891</b>	<b>278,053</b>	<b>285,004</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Main Street Program Reserve*

**Reserve Number(s):** *102048*

**Date Established:** *2001 renamed in 2006*

**Source of Funds:** *From the consolidation of the Commercial Property Improvement Loan Program and Hamilton Residential Loan Program (29313-102020)*

**Purpose:** *To fund initiatives in Downtown Hamilton, Business Improvement Areas, Community Downtowns and main street corridors. Council approved (PED07123(b)/FCS07068) detailing new programs and initiatives.*

**Comments:** *Proposed work under the Hamilton Heritage Property Grant Program is to be completed within two calendar years of the date of General Manager, Planning and Economic Development award of the grant to be eligible for payment. A one year extension can be authorized by the Manager of Urban Renewal.*

*Proposed work under the Commercial Corridor Housing Loan and Grant Program to commence within one year of the General Manager, Planning and Economic Development's approval of the loan/grant. A one year extension may be authorized by the General Manager.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>1,955,284</b>	<b>1,880,983</b>	<b>1,898,394</b>
<b>Add:</b>			
Interest Earned	51,620	46,621	36,460
Provision for Grants	50,000	0	0
	<b>101,620</b>	<b>46,621</b>	<b>36,460</b>
<b>Less:</b>			
Improvement Grants	175,922	29,210	880,000
	<b>175,922</b>	<b>29,210</b>	<b>880,000</b>
<b>Ending Balance</b>	<b>1,880,983</b>	<b>1,898,394</b>	<b>1,054,854</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Hamilton Community Heritage Fund*

**Reserve Number(s):** *102049*

**Date Established:** *2005*

**Source of Funds:** *Transfer from old City Loan Program Reserve - Community Heritage (CHFP) 29310-102020*

**Purpose:** *Change/update of existing loan program in which owners will now be eligible for a loan up to a max \$50k previously was max. of \$20k for heritage property designated under the Ontario Heritage Act. Loans are repayable over a period of up to 10 years.*

**Comments:** *Approved HCHF Loans are paid out of Balance sheet accounts and repayments are recorded in the same accounts as well. The interest on outstanding balance during the year is charge to Operating Fund as an opportunity cost.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>807,099</b>	<b>828,501</b>	<b>843,134</b>
<b>Add:</b>			
Interest Earned	21,402	20,598	21,005
	<b>21,402</b>	<b>20,598</b>	<b>21,005</b>
<b>Less:</b>			
Interest Cost (Opportunity Cost)	0	5,965	5,900
	<b>0</b>	<b>5,965</b>	<b>5,900</b>
<b>Ending Balance</b>	<b>828,501</b>	<b>843,134</b>	<b>858,239</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Downtown Hamilton Capital Program*

**Reserve Number(s):** *108036*

**Date Established:** *Sept 25, 2002*

**Source of Funds:** *Surplus arising from budgeted interest costs in Downtown Hamilton Residential Loan Program.*

**Purpose:** *This reserve was created to help fund the Downtown Capital Projects*

**Comments:** *There have been reported surplus interest costs in the past 3 years, however, these surplus funds have not been allowed to be transferred to this reserve.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>152,873</b>	<b>225,595</b>	<b>319,440</b>
<b>Add:</b>			
Interest Earned	4,054	5,626	7,986
Surplus Interest	68,668	88,220	0
	<b>72,722</b>	<b>93,846</b>	<b>7,986</b>
<b>Ending Balance</b>	<b>225,595</b>	<b>319,440</b>	<b>327,426</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *LACAC Publications Reserve*  
**Reserve Number(s):** *112006*  
**Date Established:** *April 12, 2006 PED06101*  
**Source of Funds:** *Merchandise Sales and Sale of Publications*  
**Purpose:** *Revolving Fund For the purchase and sale of merchandise.*  
**Comments:**  
**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>13,282</b>	<b>13,713</b>	<b>14,055</b>
<b>Add:</b>			
Interest Earned	354	342	355
LACAC Poster Sales	78	0	286
	<u>432</u>	<u>342</u>	<u>641</u>
<b>Ending Balance</b>	<u><u>13,713</u></u>	<u><u>14,055</u></u>	<u><u>14,696</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Heritage Studies Reserve*

**Reserve Number(s):** 112211

**Date Established:** 2005

**Source of Funds:** *Surplus funds transferred from Heritage Studies capital project.*

**Purpose:** *To provide funds for future heritage studies required as a result of requests for heritage designations under the Ontario Heritage Act.. In addition, under the approved Real Estate Management Plan the City acts as principle for the protection of cultural heritage properties whether the property is publicly or privately owned.*

**Comments:** *Possible plans in future for a heritage conservation district study for the Strathcona area.*

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>36,161</b>	<b>37,120</b>	<b>38,046</b>
<b>Add:</b>			
Interest Earned	959	926	951
	<b>959</b>	<b>926</b>	<b>951</b>
<b>Ending Balance</b>	<b>37,120</b>	<b>38,046</b>	<b>38,997</b>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Commercial Property Improvement Grant (C.P.I.G.) Reserve*

**Reserve Number(s):** *112229*

**Date Established:** *Feb 27, 2008 PED08045*

**Source of Funds:** *Unallocated grant monies that result from taxes not being paid or applicants not proceeding with the renovation of their properties.*

**Purpose:** *The General Manager, Planning and Economic Development has delegated authority to approve grants under the Commercial Property Improvement Grant Program*

*Proposed work to be completed within one calendar year from the date the General Manager, Planning and Economic Development awards the grant. A one year extension can be authorized by the Manager of Urban Renewal. Applications are accepted throughout the year. Payments are issued once project completed and all program terms have been met.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>377,554</b>	<b>499,354</b>	<b>486,807</b>
<b>Add:</b>			
Interest Earned	9,937	12,453	14,938
Unallocated Grant Funds	137,845	0	0
	<b>147,782</b>	<b>12,453</b>	<b>14,938</b>
<b>Less:</b>			
Grant Payments	25,982	25,000	120,000
	<b>25,982</b>	<b>25,000</b>	<b>120,000</b>
<b>Ending Balance</b>	<b>499,354</b>	<b>486,807</b>	<b>381,746</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Property Purchases*

**Reserve Number(s):** *100035*

**Date Established:** *1961*

**Source of Funds:** *The proceeds from sale of lands and buildings vested in City of Hamilton.*

**Purpose:** *To finance the acquisition of properties for Civic purposes and to offset capital expenditures (i.e. surveying, appraisal reports, maintenance etc.) associated with the sale and purchase of properties.*

**Comments:** *The Reserve should be retained as directed under the approved Portfolio Management strategy plan and administered by the Development & Real Estate Division of P & ED Dept.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>885,714</b>	<b>1,135,625</b>	<b>1,390,207</b>
<b>Add:</b>			
Interest Earned	26,206	30,877	35,163
Repay Purchase - 205 Berko Avenue, 1139 Greenhill Avenue	223,705	223,705	223,705
	<b>249,911</b>	<b>254,583</b>	<b>258,868</b>
<b>Less:</b>			
Purchase 120 Province St. N	0	0	191,070
	<b>0</b>	<b>0</b>	<b>191,070</b>
<b>Ending Balance</b>	<b>1,135,625</b>	<b>1,390,207</b>	<b>1,458,006</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Parking Capital Reserve*

**Reserve Number(s):** *108021*

**Date Established:** *Prior to 1964*

**Source of Funds:** *Contributions from Operating Budget (\$465,000) and plate denial revenues generated in current year.*

**Purpose:** *To provide sustainable funds for the Hamilton Municipal Parking System Capital Program.*

**Comments:** *Capital Program financing is based on estimated actual expenditures. The estimates include unspent pre-2011 projects & 2011 approved projects which includes parking meter replacement, paving of parking lots, enforcement software, York Parkade rehabilitation etc.*

*Council approved report PED10049 re: NRRHCLC Proactive Bylaw Enforcement, an 18 month Pilot Program ends Dec 31, 2011.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>2,720,999</b>	<b>3,371,263</b>	<b>3,370,529</b>
<b>Add:</b>			
Interest Earned	76,148	84,495	63,499
Plate Denial Revenues PD06391	1,082,717	413,857	800,000
Provision for Capital Replacement	464,900	465,000	465,000
Purchase by Union Gas (Easement)	7,748	0	0
	<u><b>1,631,512</b></u>	<u><b>963,352</b></u>	<u><b>1,328,499</b></u>
<b>Less:</b>			
Capital Program	754,591	641,633	1,814,000
80 Main W Upgrades	0	0	500,000
NRRHCLC – Proactive Bylaw Enforcement Pilot Program PED10049	226,657	317,392	436,650
Liquor Licence Review PED09127(f)	0	0	87,500
Reprogram Parking Equipment PED12086	0	0	55,000
Project Compliance (property Stds) PED10049(f)	0	0	33,000
Transfer to Operating Fund	0	5,061	0
	<u><b>981,248</b></u>	<u><b>964,086</b></u>	<u><b>2,926,150</b></u>
<b>Ending Balance</b>	<u><u><b>3,371,263</b></u></u>	<u><u><b>3,370,529</b></u></u>	<u><u><b>1,772,878</b></u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Upwind & Downwind Conference*

**Reserve Number(s):** *112207*

**Date Established:** *Dec 15, 2004*

**Source of Funds:** *Surplus funds from the Ministry of Environment, Environment Canada and from sponsorships & registrations.*

**Purpose:** *Residual funds from the Upwind/Downwind Conference to be used to offset costs for future conferences.*

**Comments:** *Conference is held every 2 years. The next Conference will be held in the spring of 2012.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>39,261</b>	<b>26,008</b>	<b>26,656</b>
<b>Add:</b>			
Interest Earned	1,041	649	566
	<b>1,041</b>	<b>649</b>	<b>566</b>
<b>Less:</b>			
Deficit funding for 2010 Conference	14,294	0	8,000
	<b>14,294</b>	<b>0</b>	<b>8,000</b>
<b>Ending Balance</b>	<b>26,008</b>	<b>26,656</b>	<b>19,223</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Destination Marketing Reserve*

**Reserve Number(s):** 112208

**Date Established:** 2005

**Source of Funds:** *Proceeds were originally from a 3% Destination Marketing Fee collected from various Hotel's. B & B's. Beginning July 1, 2010, the existing Destination Marketing Fee (DMF) program will be eliminated and in its place, grants will be provided from the Ontario Ministry of Tourism to either or both of tourism regions or local tourism agencies (i.e. Tourism Hamilton). In addition, any annual operating surpluses will be transferred to this reserve.*

**Purpose:** *Reserve to augment funding of Tourism Hamilton marketing programs and to offset any costs & liabilities resulting from the termination of the Destination Marketing Fee Program. Effective in 2011 the Destination Marketing Reserve will also be utilized as a Stabilization Reserve for ongoing Tourism programs*

**Comments:** *Beginning July 1, 2010, the existing Destination Marketing Fee (DMF) program will be eliminated and in its place, grants will be provided from the Ontario Ministry of Tourism to either or both of tourism regions or local tourism agencies (i.e.. Tourism Hamilton)*

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>217,778</b>	<b>382,138</b>	<b>432,159</b>
<b>Add:</b>			
Interest Earned	5,775	9,530	10,804
Destination Marketing Fee - Net	108,585	40,491	0
Operating Surplus Transfer	50,000	0	0
	<b>164,360</b>	<b>50,021</b>	<b>10,804</b>
<b>Less:</b>			
Marketing Programs	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Balance</b>	<b>382,138</b>	<b>432,159</b>	<b>442,963</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Economic Development Investment Fund*

**Reserve Number(s):** 112221

**Date Established:** *Dec 12, 2007 PED07306*

**Source of Funds:** *Initial contribution of \$1,124 million represents the unused balance from the 2008 Budget of \$1.5 million.*

*Balances not used through the annual \$1.5 million Operating Budget will be transferred to this reserve to be used for future Strategic Council priorities related to Economic Development .*

**Purpose:** *To implement the future strategic Council priorities related to economic development.*

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>1,324,056</b>	<b>1,474,376</b>	<b>1,792,095</b>
<b>Add:</b>			
Interest Earned	33,560	36,768	42,334
Unallocated Funds	214,653	301,935	0
	<b>248,213</b>	<b>338,704</b>	<b>42,334</b>
<b>Less:</b>			
Fund Business Development Officer	0	0	82,500
Regeneration Institute for the Great Lakes PED11059	0	0	55,000
Innovation Funding PED12023	0	0	50,000
Concession & Locke St-Farmers Market	0	0	10,000
Advertising Costs	0	20,985	0
Building A Creative Catalyst PED08280	73,977	0	0
Various Initiatives	23,916	0	0
	<b>97,893</b>	<b>20,985</b>	<b>197,500</b>
<b>Ending Balance</b>	<b>1,474,376</b>	<b>1,792,095</b>	<b>1,636,928</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Conventions/Sports Events Reserve*

**Reserve Number(s):** *112231*

**Date Established:** *July 13, 2005 GRA05005 (COW)*

**Source of Funds:** *Annual Operating Surpluses in the Conventions Grants Budget.*

**Purpose:** *Fund costs associated with securing and servicing Conventions and Sporting Events.*

**Comments:** *This reserve has been segregated from the Community Grants reserve - 112230*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>99,391</b>	<b>109,350</b>	<b>117,639</b>
<b>Add:</b>			
Interest Earned	2,636	2,727	2,923
Operating Surplus	7,324	5,562	0
	<b>9,960</b>	<b>8,289</b>	<b>2,923</b>
<b>Less:</b>			
Isabelle Henderson Memorial Invitational	0	0	900
Ontario Intercollegiate Woman's Fast Pitch	0	0	500
	<b>0</b>	<b>0</b>	<b>1,400</b>
<b>Ending Balance</b>	<b>109,350</b>	<b>117,639</b>	<b>119,163</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *HMPS Cash in Lieu of Parking Reserve*

**Reserve Number(s):** *115085*

**Date Established:** *Oct 16th, 1989*

**Source of Funds:** *Received via through application process of Subdivision and Site Plan Agreements*

**Purpose:** *To provide funds for the provision of Parking Facilities.*

**Comments:** *There are currently no cash-in-lieu agreements pending.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>179,808</b>	<b>184,576</b>	<b>189,179</b>
<b>Add:</b>			
Interest Earned	4,768	4,603	4,729
	<b>4,768</b>	<b>4,603</b>	<b>4,729</b>
<b>Ending Balance</b>	<b>184,576</b>	<b>189,179</b>	<b>193,908</b>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Animal Shelter Reserve Fund*  
**Reserve Number(s):** *117024*  
**Date Established:** *Pre 2001*  
**Source of Funds:** *Donations*  
**Purpose:** *To fund building repairs & improvements.*  
**Comments:**  
**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>22,458</b>	<b>23,442</b>	<b>24,846</b>
<b>Add:</b>			
Interest Earned	596	591	334
Donations	389	813	0
	<u>985</u>	<u>1,404</u>	<u>334</u>
<b>Less:</b>			
Minor renovations for health & safety & AODA issues	0	0	23,000
	<u>0</u>	<u>0</u>	<u>23,000</u>
<b>Ending Balance</b>	<u><u>23,442</u></u>	<u><u>24,846</u></u>	<u><u>2,180</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Auchmar Estates - Repairs*

**Reserve Number(s):** *100036*

**Date Established:** *2003*

**Source of Funds:** *Net rental revenues and donations*

**Purpose:** *To provide a source of funds for the preservation and restoration of Auchmar Estates, which is estimated at \$4 million. Repairs will continue in 2012 to be funded from continued donations in support of the project.*

**Comments:**

**Sustainable:** *No* *This reserve does not have a financial plan in place to ensure there are sufficient funds for the \$4 million needed for repairs.*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>22,240</b>	<b>5,417</b>	<b>7,674</b>
<b>Add:</b>			
Interest Earned	226	148	217
Donations	1,273	2,109	2,000
	<u>1,499</u>	<u>2,258</u>	<u>2,217</u>
<b>Less:</b>			
Administrative Recovery	15,520	0	0
Restoration Costs	2,803	0	0
	<u>18,323</u>	<u>0</u>	<u>0</u>
<b>Ending Balance</b>	<u><u>5,417</u></u>	<u><u>7,674</u></u>	<u><u>9,891</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Hamilton-Scourge Foundation*

**Reserve Number(s):** *102015*

**Date Established:** *1987*

**Source of Funds:** *Provision from the year end surplus distribution.*

**Purpose:** *Provide interest free loan from the City to the Hamilton and Scourge Foundation Inc. to a maximum of \$75,000.*

*With the upcoming 200th anniversary of the events leading to the loss of the ships, we can anticipate project spending in the next 3 years. Specifically, the development of a long term management plan for the site is underway with staff, stakeholder and consultant input. The shape of the implementation of the plan has not been determined but additional spending to complete and implement the plan is anticipated.*

**Comments:** *Hamilton's ownership of the two ships that are at the bottom of Lake Ontario.*

**Sustainable:** *No This reserve does not have a financial plan in place to ensure there are sufficient funds in the reserve for its intended purpose.*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>22,078</b>	<b>22,663</b>	<b>23,228</b>
<b>Add:</b>			
Interest Earned	585	565	301
	<b>585</b>	<b>565</b>	<b>301</b>
<b>Less:</b>			
Long Term Management Plan	0	0	22,404
	<b>0</b>	<b>0</b>	<b>22,404</b>
<b>Ending Balance</b>	<b>22,663</b>	<b>23,228</b>	<b>1,125</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Reserve For Various Museums*

**Reserve Number(s):** *104080*

**Date Established:** *1996*

**Source of Funds:** *Donations*

**Purpose:** *Monitor activity for all Museums in one reserve.*

**Comments:** *The funds in this reserve represents donations and have to be used for its designated purposes*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>204,445</b>	<b>169,235</b>	<b>181,510</b>
<b>Add:</b>			
Interest Earned	5,259	4,224	4,603
Donations For Specific Projects	1,993	8,052	5,208
	<u>7,252</u>	<u>12,276</u>	<u>9,811</u>
<b>Less:</b>			
Administrative Recovery	42,462	0	0
	<u>42,462</u>	<u>0</u>	<u>0</u>
<b>Ending Balance</b>	<u><u>169,235</u></u>	<u><u>181,510</u></u>	<u><u>191,321</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Public Art Reserve*

**Reserve Number(s):** *108044*

**Date Established:** *April 24, 2006 ECS07008*

**Source of Funds:** *Capital Block Funding to be used as a source of funding for the Public Art Program.*

*Initial investment came from existing downtown projects.*

**Purpose:** *From 2007-2010, \$250,000 from capital block funding has been allocated annually to a capital fund for public art expenditures. These funds have been accessed to cover public art expenses, leaving the reserve untouched for the last two years and in 2011, as shown below. However the funds in this reserve are projected to be expended in 2012 and 2013, to complete public art projects that are currently being planned in accordance with the Public Art Master Plan. The rate at which the reserve funds will be expended will depend on the amount and timing of future capital block funding allocations; no allocation was made in 2011. Detailed forecast on spending and Public Art projects available.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected <u>2012</u></b>
<b>Beginning Balance</b>	<b>277,985</b>	<b>285,356</b>	<b>292,473</b>
<b>Add:</b>			
Interest Earned	7,372	7,116	7,312
	<b>7,372</b>	<b>7,116</b>	<b>7,312</b>
<b>Ending Balance</b>	<b>285,356</b>	<b>292,473</b>	<b>299,784</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Airport Capital Reserve*

**Reserve Number(s):** *108043*

**Date Established:** *Feb 28, 2007 PED07077*

**Source of Funds:** *City's percentage of revenues collected from the John C. Munro Hamilton International Airport (HIA) as per Section 4.04 of the City of Hamilton/Tradeport Airport Lease Agreement.*

**Purpose:** *Offset City's share of Airport Capital Costs that are cost shared as required as part of City of Hamilton/Tradeport Airport Lease Agreement..*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>110,961</b>	<b>157,260</b>	<b>216,427</b>
<b>Add:</b>			
Interest Earned	2,942	4,825	5,802
Rental Revenue HIA (25% OF Previous Year's Rent)	43,357	54,342	48,816
	<u>46,299</u>	<u>59,167</u>	<u>54,618</u>
<b>Less:</b>			
Cargo Opportunities Assessment PED09041	0	0	10,000
Tourism Revenue Generation Assessment PED09041	0	0	7,500
	<u>0</u>	<u>0</u>	<u>17,500</u>
<b>Ending Balance</b>	<u><u>157,260</u></u>	<u><u>216,427</u></u>	<u><u>253,545</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Airport Joint Marketing Reserve Fund*

**Reserve Number(s):** *112217*

**Date Established:** *Feb 28, 2007 PED07077*

**Source of Funds:** *City's percentage of revenues collected from the John C. Munro Hamilton International Airport (HIA) as per Section 4.04 of the City of Hamilton/Tradeport Airport Lease Agreement.*

**Purpose:** *Offset the City's Share of Marketing Costs related to Airport Promotion,*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>74,339</b>	<b>119,667</b>	<b>169,196</b>
<b>Add:</b>			
Interest Earned	1,971	3,735	3,725
Rental Revenue HIA (25% OF Previous Year's Rent)	43,357	54,342	42,945
	<b>45,328</b>	<b>58,077</b>	<b>46,670</b>
<b>Less:</b>			
PSOS Downstream Issue	0	0	40,000
Joint Marketing Initiatives	0	1,221	37,050
Distribution Warehouse Assessment	0	0	6,250
Logistics Park Business Development Strategy	0	7,327	0
	<b>0</b>	<b>8,548</b>	<b>83,300</b>
<b>Ending Balance</b>	<b>119,667</b>	<b>169,196</b>	<b>132,567</b>

**THE CITY OF HAMILTON**  
**2011 RESERVE REPORT**  
**RESERVE BALANCES**

		<b>2010</b>	<b>2011</b>	<b>Projected 2012</b>	<b>Reserve Sustainable</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	
<b><u>H.E.C.F.I. Reserves</u></b>					
100025	H.E.C.F.I. - Capital Projects	437,771	231,461	608,172	Yes
102025	Ronald V. Joyce Centre	216,959	170,292	174,549	Yes
104005	Special Events Subsidy	11,683	65,635	53,436	Yes
<b>Total H.E.C.F.I. Reserves</b>		<b><u>666,413</u></b>	<b><u>467,388</u></b>	<b><u>836,157</u></b>	



## **CITY OF HAMILTON 2011 RESERVE REPORT**

**Reserve Name:** *H.E.C.F.I. - Capital Projects*

**Reserve Number(s):** *100025*

**Date Established:** *1985*

**Source of Funds:** *Receipts from Patron Surcharges, Operating surplus from the H.E.C.F.I., Interest Earned, Provision for Capital Replacement.*

**Purpose:** *To finance various capital projects of the Hamilton Convention Centre, the Ronald V. Joyce Centre for the Performing Arts at Hamilton Place and Victor K. Copps Trade Centre/Arena.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>437,639</b>	<b>437,771</b>	<b>231,461</b>
<b>Add:</b>			
Interest Earned	28,287	41,218	10,366
Capital Sustainability Plan	800,000	800,000	750,000
Capital Improvements Fund (CIF)	271,846	226,345	226,345
CC-Permanent Seating Refurbish Close Project	0	1,000,000	0
	<b>1,100,132</b>	<b>2,067,563</b>	<b>986,711</b>
<b>Less:</b>			
Capital Program	1,100,000	1,050,000	500,000
External Review Phase 2	0	133,872	110,000
Contribution to Operating Deficit	0	1,000,000	0
Operational Review	0	90,000	0
	<b>1,100,000</b>	<b>2,273,872</b>	<b>610,000</b>
<b>Ending Balance</b>	<b>437,771</b>	<b>231,461</b>	<b>608,172</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Ronald V. Joyce Centre*

**Reserve Number(s):** *102025*

**Date Established:** *1998*

**Source of Funds:** *Donation from the Ron Joyce Foundation.*

**Purpose:** *Major maintenance of and/or major improvements to the Ronald V. Joyce Centre for the Performing Arts at Hamilton Place.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>59,086</b>	<b>216,959</b>	<b>170,292</b>
<b>Add:</b>			
Interest Earned	7,874	3,332	4,257
Ron Joyce Foundation	400,000	200,000	200,000
	<u>407,874</u>	<u>203,332</u>	<u>204,257</u>
<b>Less:</b>			
Renovations & Replacements	250,000	250,000	200,000
	<u>250,000</u>	<u>250,000</u>	<u>200,000</u>
<b>Ending Balance</b>	<u><u>216,959</u></u>	<u><u>170,292</u></u>	<u><u>174,549</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Special Events Subsidy*

**Reserve Number(s):** 104005

**Date Established:** 1986

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *To establish a fund to assist H.E.C.F.I. in competing on a Provincial, National and International level for convention business.*

**Comments:** *The Special Event Subsidy was terminated in 2012. Only the reaming approved subsidies totalling \$13,669 in 2012 and \$6,350 in 2013 will be paid.*

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>5,753</b>	<b>11,683</b>	<b>65,635</b>
<b>Add:</b>			
Interest Earned	230	1,037	1,470
Special event subsidy	100,000	100,000	0
	<b>100,230</b>	<b>101,037</b>	<b>1,470</b>
<b>Less:</b>			
Subsidy for Various Functions	94,300	47,085	13,669
	<b>94,300</b>	<b>47,085</b>	<b>13,669</b>
<b>Ending Balance</b>	<b>11,683</b>	<b>65,635</b>	<b>53,436</b>

**THE CITY OF HAMILTON**  
**2011 RESERVE REPORT**  
**RESERVE BALANCES**

		<b>2010</b>	<b>2011</b>	<b>Projected 2012</b>	<b>Reserve Sustainable</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	
<b><u>Police Reserves</u></b>					
104055	Tax Stabilization-Police	455,086	466,435	326,221	One-Time
110065	Police Capital Expenditures	4,787,590	3,575,208	1,187,923	Yes
112029	Provision for Vacation Liability	1,276,535	1,308,369	1,341,078	Yes
112210	Provision for Police Litigation	226,125	231,764	237,558	Yes
112220	Police Special Events	98,758	101,220	103,751	Yes
112225	Police Rewards	140,072	143,565	147,154	Yes
<b>Total Police Reserves</b>		<b><u>6,984,164</u></b>	<b><u>5,826,561</u></b>	<b><u>3,343,685</u></b>	

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Tax Stabilization-Police*  
**Reserve Number(s):** *104055*  
**Date Established:** *2002*  
**Source of Funds:** *OMERS' Contribution Holiday for the period August 1999 to December 2003*  
**Purpose:** *To Offset Police service cost increases due to fluctuations in the economy*  
**Comments:**  
**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>443,330</b>	<b>455,086</b>	<b>466,435</b>
<b>Add:</b>			
Interest Earned	11,756	11,349	9,786
Operating Surplus	0	150,000	0
	<b>11,756</b>	<b>161,349</b>	<b>9,786</b>
<b>Less:</b>			
To Operating Fund	0	150,000	150,000
	<b>0</b>	<b>150,000</b>	<b>150,000</b>
<b>Ending Balance</b>	<b>455,086</b>	<b>466,435</b>	<b>326,221</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Police Capital Expenditures*

**Reserve Number(s):** *110065*

**Date Established:** *November, 1988*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve was established for future capital expenditures including major repairs and alterations to buildings.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected <u>2012</u></b>
<b>Beginning Balance</b>	<b>4,415,908</b>	<b>4,787,590</b>	<b>3,575,208</b>
<b>Add:</b>			
Interest Earned	118,213	119,394	58,804
Operating Surplus	490,482	0	0
Project Closure-Unused Capital Funding	62,986	0	0
	<u><b>671,681</b></u>	<u><b>119,394</b></u>	<u><b>58,804</b></u>
<b>Less:</b>			
ISD Facility-Funding for Land Purchase	0	256,776	1,056,144
ISD Facility-Funding for Architectural Fees	0	0	750,000
To Operating Fund	300,000	275,000	250,000
Armoured Vehicle-2012 Capital Budget	0	0	250,000
Training Facility-Furniture/Equipment	0	800,000	139,945
	<u><b>300,000</b></u>	<u><b>1,331,776</b></u>	<u><b>2,446,089</b></u>
<b>Ending Balance</b>	<u><u><b>4,787,590</b></u></u>	<u><u><b>3,575,208</b></u></u>	<u><u><b>1,187,923</b></u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Provision for Vacation Liability*

**Reserve Number(s):** *112029*

**Date Established:** *April 18th, 2005*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *Payment of Vacation owed to the employees upon the cessation of employment with the City. It should be noted that vacation taken in the current year is the vacation owed to the employee from the previous year. Therefore, a liability exists for the vacation owed to the employee in the current year.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>1,243,558</b>	<b>1,276,535</b>	<b>1,308,369</b>
<b>Add:</b>			
Interest Earned	32,976	31,835	32,709
	<b>32,976</b>	<b>31,835</b>	<b>32,709</b>
<b>Ending Balance</b>	<b>1,276,535</b>	<b>1,308,369</b>	<b>1,341,078</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Provision for Police Litigation*

**Reserve Number(s):** *112210*

**Date Established:** *December, 1986*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This provision was established from general funds to cover potential unbudgeted legal expenses incurred by the Police.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>220,283</b>	<b>226,125</b>	<b>231,764</b>
<b>Add:</b>			
Interest Earned	5,841	5,639	5,794
	<b>5,841</b>	<b>5,639</b>	<b>5,794</b>
<b>Ending Balance</b>	<b>226,125</b>	<b>231,764</b>	<b>237,558</b>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Police Special Events*

**Reserve Number(s):** *112220*

**Date Established:** *1978*

**Source of Funds:** *Sale of Unclaimed Articles*

**Purpose:** *Any stolen property recovered by the Police Service that remains unclaimed is sold and proceeds set aside in this reserve to be used at the discretion of the Police Services Board.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>96,206</b>	<b>98,758</b>	<b>101,220</b>
<b>Add:</b>			
Interest Earned	2,551	2,463	2,531
	<u>2,551</u>	<u>2,463</u>	<u>2,531</u>
<b>Less:</b>			
FBINAA Conference	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
<b>Ending Balance</b>	<u><u>98,758</u></u>	<u><u>101,220</u></u>	<u><u>103,751</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Police Rewards*

**Reserve Number(s):** *112225*

**Date Established:** *1979*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve was established to be used by the Police to gain the public's assistance by paying rewards for information. Funds in the reserve were transferred from the Police Current Budget.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>136,453</b>	<b>140,072</b>	<b>143,565</b>
<b>Add:</b>			
Interest Earned	3,618	3,493	3,589
	<b>3,618</b>	<b>3,493</b>	<b>3,589</b>
<b>Ending Balance</b>	<b>140,072</b>	<b>143,565</b>	<b>147,154</b>

**THE CITY OF HAMILTON  
2011 RESERVE REPORT  
RESERVE BALANCES**

	2010	2011	Projected 2012	Reserve Sustainable	
	\$	\$	\$		
<b><u>Public Works Reserves</u></b>					
<b><i>Greenspace/Parks Reserves</i></b>					
108037	Hamilton Beach Park Reserve	1,116,491	1,069,824	1,419,229	Yes
112201	Park Marina Reserve	1,010,893	1,102,392	1,190,702	Yes
112202	Leash Free Park Reserve	265,202	304,856	337,045	Yes
<b><i>Sub-total Greenspace/Parks Reserves</i></b>		<b>2,392,587</b>	<b>2,477,072</b>	<b>2,946,976</b>	
<b><i>Waste Management Reserves</i></b>					
110062	Closed Landfill Reserve	500,000	665,514	682,152	Yes
112270	Waste Management Recycling	3,026,221	3,291,917	3,564,059	Yes
112271	WM Facilities-Replace/Upgrade Reserve	607,245	1,108,038	1,514,596	Yes
113022	Garbage Collection Contingency Reserve	28,643	29,357	30,091	One-Time
<b><i>Sub-total Waste Management Reserves</i></b>		<b>4,162,110</b>	<b>5,094,827</b>	<b>5,790,899</b>	
<b><i>Transit Reserves</i></b>					
108019	Transit Shelter Capital Reserve	175,387	179,761	83,005	One-Time
108025	Transit Capital Reserve	2,631,897	2,956,616	732,404	Yes
108027	Province of Ontario Transit Capital Grant	5,675,745	5,817,288	3,461,845	One-Time
108045	Federal Public Transit Funds	1,923,408	1,839,760	671,469	One-Time
<b><i>Sub-total Transit Reserves</i></b>		<b>10,406,437</b>	<b>10,793,424</b>	<b>4,948,723</b>	
<b><i>Cemeteries' Reserves</i></b>					
104105	Cemetery Building Fund - Niches	366,046	411,049	358,120	Yes
<b><i>Sub-total Cemeteries' Reserves</i></b>		<b>366,046</b>	<b>411,049</b>	<b>358,120</b>	
<b><i>Public Works-Other Reserves</i></b>					
108039	McMaster Facility Capital Replacement	2,761	115,167	231,787	Yes
108040	Street Tree Light Replacement-Downtown	0	0	0	Yes
108041	Roads, Bridges & Traffic Capital Reserve	2,909,019	3,282,884	3,663,224	One-Time
108046	RCMP Lease-Capital Replacement	377,675	377,348	457,657	Yes
108047	Rapid Transit Capital Reserve	14,221,329	14,121,935	7,727,896	One-Time
108048	YMCA & Turner Library Capital Renewal Reserve	44,480	72,740	102,048	Yes
112203	Red Light Camera Project	3,017,202	3,961,719	4,066,139	Yes

**THE CITY OF HAMILTON  
2011 RESERVE REPORT  
RESERVE BALANCES**

		<b>2010</b>	<b>2011</b>	<b>Projected 2012</b>	<b>Reserve Sustainable</b>
		\$	\$	\$	
<b><u>Public Works Reserves</u></b>					
<b>Public Works-Other Reserves</b>					
112205	Winter Control	7,073,403	7,249,801	7,431,046	Yes
112209	47 Guise St Reserve	72,155	83,455	95,160	Yes
112272	Energy Conservation Initiative Reserve	3,215,302	6,027,683	6,153,002	Yes
<b>Sub-total Public Works-Other Reserves</b>		<b>30,933,327</b>	<b>35,292,731</b>	<b>29,927,957</b>	
<b>Total Public Works Reserves</b>		<b>48,260,506</b>	<b>54,069,103</b>	<b>43,972,675</b>	

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Hamilton Beach Park Reserve*

**Reserve Number(s):** *108037*

**Date Established:** *2004*

**Source of Funds:** *Proceeds of Sale of Hamilton Beach properties in excess of \$1 million.*

**Purpose:** *Assist with the funding for the development of a Hamilton Beach Parks.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>1,722,141</b>	<b>1,116,491</b>	<b>1,069,824</b>
<b>Add:</b>			
Interest Earned	40,137	26,736	30,729
Beach Property Sales	7,390	276,597	903,108
	<b>47,527</b>	<b>303,333</b>	<b>933,837</b>
<b>Less:</b>			
Repurchase 958,962,966,970 Beach Blvd PED11201	0	0	216,000
Confederation Park Implementation Strategy and Economic Feasibility Model	0	0	150,000
Beach Park Development Program Cap Budget	650,034	350,000	100,000
Re-purchase of 974 Beach Boulevard	0	0	54,000
Landscaping Improvements FCS05067	0	0	50,000
Beach Lighthouse Operational Study ECS07073	3,143	0	8,857
Lakeland - Disabled Access	0	0	5,575
	<b>653,177</b>	<b>350,000</b>	<b>584,432</b>
<b>Ending Balance</b>	<b>1,116,491</b>	<b>1,069,824</b>	<b>1,419,229</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Park Marina Reserve*

**Reserve Number(s):** *112201*

**Date Established:** *August 13th, 2003*

**Source of Funds:** *Sale of Surplus Assets; Lease revenues from boating clubs, marina slip revenues, Buildings and rental revenues from vendors.*

**Purpose:** *To provide an ongoing source of funds for capital and operational contingency expenditures related to municipally owned marina infrastructure within the Macassa Bay Marine Basin.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>868,215</b>	<b>1,010,893</b>	<b>1,102,392</b>
<b>Add:</b>			
Interest Earned	23,023	25,210	28,310
Operating Surplus McNab Street Marina	93,132	66,288	60,000
Provision For Future Replacement	26,524	0	0
	<u><b>142,679</b></u>	<u><b>91,498</b></u>	<u><b>88,310</b></u>
<b>Ending Balance</b>	<u><u><b>1,010,893</b></u></u>	<u><u><b>1,102,392</b></u></u>	<u><u><b>1,190,702</b></u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Leash Free Park Reserve*

**Reserve Number(s):** 112202

**Date Established:** 05/12/2004 - FCS0406

**Source of Funds:** \$1 per dog license tag sold

**Purpose:** *To Fund the Development of dog park facilities and free running areas in accordance with existing dog park facility policy. Reserve funds are to be 50% for dog park models and 50% for free running models.*

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<b>Projected 2012</b>
<b>Beginning Balance</b>	<b>225,534</b>	<b>265,202</b>	<b>304,856</b>
<b>Add:</b>			
Interest Earned	5,965	7,007	7,925
Dog License Fees	33,703	32,646	34,265
	<u>39,668</u>	<u>39,653</u>	<u>42,190</u>
<b>Less:</b>			
330 Wentworth St- Designation	0	0	10,000
	<u>0</u>	<u>0</u>	<u>10,000</u>
<b>Ending Balance</b>	<u><u>265,202</u></u>	<u><u>304,856</u></u>	<u><u>337,045</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Closed Landfill Reserve*

**Reserve Number(s):** *110062*

**Date Established:** *March 9th, 2011 FCS11002*

**Source of Funds:** *A portion of Hamilton Renewable Power Inc. (HRPI) regular and special dividends.*

**Purpose:** *To offset the future closure costs for the existing open landfill site and to offset the existing and future costs for maintaining the existing 12 closed landfill sites.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>500,000</b>	<b>665,514</b>
<b>Add:</b>			
Interest Earned	0	13,574	16,638
Hamilton Renewable Power Inc. Dividend	500,000	151,940	0
	<b>500,000</b>	<b>165,514</b>	<b>16,638</b>
<b>Ending Balance</b>	<b>500,000</b>	<b>665,514</b>	<b>682,152</b>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Waste Management Recycling*

**Reserve Number(s):** 112270

**Date Established:** 1992

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve was established exclusively for the Recycling Program to finance possible future deficits.*

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>2,775,562</b>	<b>3,026,221</b>	<b>3,291,917</b>
<b>Add:</b>			
Interest Earned	78,159	78,196	84,642
Provision for Recycling Services	187,500	187,500	187,500
	<u>265,659</u>	<u>265,696</u>	<u>272,142</u>
<b>Less:</b>			
Collection of Recyclables in Parks	15,000	0	0
	<u>15,000</u>	<u>0</u>	<u>0</u>
<b>Ending Balance</b>	<u><u>3,026,221</u></u>	<u><u>3,291,917</u></u>	<u><u>3,564,059</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** WM Facilities-Replace\Upgrade Reserve

**Reserve Number(s):** 112271

**Date Established:** Nov 28, 2007 PW07149

**Source of Funds:** Fifty percent (50%) of the financial benefit generated from the Source Separated Organic (SSO) processing contract from other municipalities.

**Purpose:** Be used for the upgrade and /or replacement of waste diversion facilities and equipment;

**Comments:** CCF Rolling Stock Replacement is scheduled for 2013 in the amount of \$1,015,000.

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>627,569</b>	<b>607,245</b>	<b>1,108,038</b>
<b>Add:</b>			
Interest Earned	14,578	19,742	32,378
Provision for Replacement	515,099	481,051	374,180
	<b>529,676</b>	<b>500,792</b>	<b>406,558</b>
<b>Less:</b>			
CCF Rolling Stock Replacement	550,000	0	0
	<b>550,000</b>	<b>0</b>	<b>0</b>
<b>Ending Balance</b>	<b>607,245</b>	<b>1,108,038</b>	<b>1,514,596</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Garbage Collection Contingency Reserve*

**Reserve Number(s):** *113022*

**Date Established:** *pre 1998*

**Source of Funds:** *Savings from Garbage Contract - Former Town of Ancaster*

**Purpose:** *Funds could be used to offset a budget shortfall or if an additional pickup were required, for example extra pickup for tree limbs that were damaged during an ice storm.*

**Comments:** *This reserve can be used by the Waste Management Department to Offset operating deficits or to fund special projects. Close when funds depleted.*

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>27,903</b>	<b>28,643</b>	<b>29,357</b>
<b>Add:</b>			
Interest Earned	740	714	734
	<b>740</b>	<b>714</b>	<b>734</b>
<b>Ending Balance</b>	<b>28,643</b>	<b>29,357</b>	<b>30,091</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Transit Shelter Capital Reserve*

**Reserve Number(s):** *108019*

**Date Established:** *Sept 29, 2010 TOE01061(b)*

**Source of Funds:** *One-time compensation of \$175,000 from CBS Outdoor Advertising to offset Capital adjustments.*

**Purpose:** *To be utilized to fund the addition, removal, relocation or installation of transit shelters and to replace shelter glass walls as deemed necessary from time to time.*

**Comments:**

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>175,387</b>	<b>179,761</b>
<b>Add:</b>			
Interest Earned	387	4,374	3,244
Contribution From CBS Outdoor Advertising	175,000	0	0
	<u>175,387</u>	<u>4,374</u>	<u>3,244</u>
<b>Less:</b>			
Bus Shelter/Bench Refurbishment & Replacement Program	0	0	100,000
	<u>0</u>	<u>0</u>	<u>100,000</u>
<b>Ending Balance</b>	<u><u>175,387</u></u>	<u><u>179,761</u></u>	<u><u>83,005</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Transit Capital Reserve*

**Reserve Number(s):** *108025*

**Date Established:** *2001*

**Source of Funds:** *Originally - a contribution from HSR Working Funds;  
Contribution from operating*

**Purpose:** *To provide sustainable funds for the Transit Capital Program.*

**Comments:** *HACL=Hamilton Association of Community Living*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>2,661,616</b>	<b>2,631,897</b>	<b>2,956,616</b>
<b>Add:</b>			
Interest Earned	69,771	61,807	45,543
Project Closing Unused Funds	0	550,520	0
	<b>69,771</b>	<b>612,327</b>	<b>45,543</b>
<b>Less:</b>			
Replace Transit Fleet Bus Hoists	0	0	720,000
GTA Fare Card Project - PRESTO	0	0	550,000
ATS Rebranding\Marketing	15,061	0	384,940
Transit Automated Passenger Counting System	0	0	195,000
Ticket Office - Leasehold Improvements (GO)	0	30,185	119,815
DARTS Agreement Renewal	0	0	100,000
Bus Shelter/Bench Refurbishment/Replacement	0	0	100,000
AODA Initiative - Bench Seats at Bus Stops	0	0	100,000
ATS On Vehicle Security Camera	0	186,005	0
HACL Contract PW03058	84,429	48,919	0
Bus Shelter Cleaning	0	22,500	0
	<b>99,489</b>	<b>287,609</b>	<b>2,269,755</b>
<b>Ending Balance</b>	<b>2,631,897</b>	<b>2,956,616</b>	<b>732,404</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** Province of Ontario Transit Capital Grant

**Reserve Number(s):** 108027

**Date Established:** March 5th, 2008 PW08030

**Source of Funds:** Province of Ontario grant of \$7,522,653

**Purpose:** Be used for Transit Capital expansion to help improve accessibility for people with disabilities, manage congestion, support the environment and improve the movement of both people and goods.

**Comments:**

**Sustainable:** One-Time This reserve is incorporated into the overall Transit Vehicle Replacement strategy in conjunction with Reserve 110030 Vehicle Replacement Reserve. Funds are to be spent by 2015.

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>6,748,174</b>	<b>5,675,745</b>	<b>5,817,288</b>
<b>Add:</b>			
Interest Earned	162,571	141,543	114,557
	<b>162,571</b>	<b>141,543</b>	<b>114,557</b>
<b>Less:</b>			
HSR Conventional Fleet Replacement	1,235,000	0	2,470,000
	<b>1,235,000</b>	<b>0</b>	<b>2,470,000</b>
<b>Ending Balance</b>	<b>5,675,745</b>	<b>5,817,288</b>	<b>3,461,845</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Federal Public Transit Funds*

**Reserve Number(s):** *108045*

**Date Established:** *April 25, 2007 FCS07050*

**Source of Funds:** *Under Bill C 48, the Federal Government released previous financial commitments relating to affordable housing and transit to the Provinces. The 2007 Province of Ontario Budget, announced the forwarding of these commitments to Ontario municipalities. For Hamilton, this meant \$6,580,000 for affordable housing and \$11,147,927.39 for transit.*

**Purpose:** *While the Province did, in fact, make these payments as unconditional grants, in order to flow the funds to the City, it is very clear from the various communications received that there is an expectation the funds will be used for Public Transit.*

**Comments:**

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<b>Projected <u>2012</u></b>
<b>Beginning Balance</b>	<b>6,038,064</b>	<b>1,923,408</b>	<b>1,839,760</b>
<b>Add:</b>			
Interest Earned	137,732	46,346	31,003
	<b>137,732</b>	<b>46,346</b>	<b>31,003</b>
<b>Less:</b>			
Downtown Bus Terminal	2,803,841	0	461,074
Bus Landing Pads	44,787	129,994	338,219
Trapeze PASS - Ops for DARTS	0	0	300,000
Trapeze Analysis and Optimization	0	0	100,000
Transit Radio Communication Replacement PW08038	1,148,425	0	0
2 Articulated Bus Hoists	255,334	0	0
	<b>4,252,388</b>	<b>129,994</b>	<b>1,199,293</b>
<b>Ending Balance</b>	<b>1,923,408</b>	<b>1,839,760</b>	<b>671,469</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** Cemetery Building Fund - Niches

**Reserve Number(s):** 104105

**Date Established:** 1992

**Source of Funds:** Funded by 42.5% of the revenue received from the sale of niches.

**Purpose:** To provide a self-funding capital account for the construction of new columbarium's as required in the future.

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>306,589</b>	<b>366,046</b>	<b>411,049</b>
<b>Add:</b>			
Interest Earned	8,804	9,518	9,496
Sale of Niches	50,653	35,485	37,574
	<u>59,457</u>	<u>45,003</u>	<u>47,070</u>
<b>Less:</b>			
Pre-Needs Sales Strategy	2012 Capital	0	100,000
	<u>0</u>	<u>0</u>	<u>100,000</u>
<b>Ending Balance</b>	<u><u>366,046</u></u>	<u><u>411,049</u></u>	<u><u>358,120</u></u>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *McMaster Facility Capital Replacement*

**Reserve Number(s):** *108039*

**Date Established:** *2005*

**Source of Funds:** *\$1.00/sq ft of the lease payments*

**Purpose:** *As per the lease agreement between McMaster University and the City of Hamilton for the property known as 50 Main Street East, Hamilton formerly known as the "Courthouse", \$1.00/sq ft will be contributed to a capital reserve to be used for the upgrade of the facility which includes the life cycle replacement of any or all building components including the grounds.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>146,833</b>	<b>2,761</b>	<b>115,167</b>
<b>Add:</b>			
Interest Earned	1,591	69	4,283
Provision for Capital Replacement	112,337	112,337	112,337
	<b>113,927</b>	<b>112,406</b>	<b>116,620</b>
<b>Less:</b>			
Court House Upgrades	258,000	0	0
	<b>258,000</b>	<b>0</b>	<b>0</b>
<b>Ending Balance</b>	<b>2,761</b>	<b>115,167</b>	<b>231,787</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Street Tree Light Replacement-Downtown*

**Reserve Number(s):** *108040*

**Date Established:** *Dec 14, 2005*

**Source of Funds:** *Energy savings from converting existing incandescent tree lighting in the downtown core with L.E.D. lighting.*

**Purpose:** *Fund lighting replacement on a 6 year cycle to coincide with planned street tree grid trimming maintenance program in the downtown core.*

**Comments:** *Reserve creation was recommended by the Task Force on Cleanliness and Security in the Downtown Core.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Add:</b>			
Interest Earned	0	0	0
Provision for Capital Replacement	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
<b>Ending Balance</b>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** Roads, Bridges & Traffic Capital Reserve

**Reserve Number(s):** 108041

**Date Established:** May 24, 2006 FCS06042

**Source of Funds:** Provincial Contribution

**Purpose:** Improving Roads and Bridges

**Comments:** The City of Hamilton received a one-time grant at the end of March 2006 in the amount of \$20,834,975 from the Province of Ontario under the Move Ontario Improving Roads and Bridges Budget Initiative. In 2008, the City received an additional \$8,806,309 from the Province under the 2008 Municipal Road and Bridge Infrastructure Investment Program.

The traffic signal efficiency initiative costs are being repaid over 7 years from anticipated savings.

**Sustainable:** One-Time

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>3,386,567</b>	<b>2,909,019</b>	<b>3,282,884</b>
<b>Add:</b>			
Interest Earned	86,889	79,280	85,754
Traffic Signal System Efficiency Initiatives Repayment	294,585	294,585	294,585
	<b>381,474</b>	<b>373,865</b>	<b>380,339</b>
<b>Less:</b>			
Capital Costs	859,021	0	0
	<b>859,021</b>	<b>0</b>	<b>0</b>
<b>Ending Balance</b>	<b>2,909,019</b>	<b>3,282,884</b>	<b>3,663,224</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** RCMP Lease-Capital Replacement

**Reserve Number(s):** 108046

**Date Established:** Sept 26, 2007 FCS07079

**Source of Funds:** A portion of the Lease payments from the rental of the former Stoney Creek City Hall to the RCMP.

**Purpose:** To fund life cycle replacement of building and grounds components of the former Stoney Creek City Hall, which is now leased to the RCMP.

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>291,925</b>	<b>377,675</b>	<b>377,348</b>
<b>Add:</b>			
Interest Earned	8,750	7,673	10,309
Provision for Capital Replacement	202,000	202,000	202,000
	<b>210,750</b>	<b>209,673</b>	<b>212,309</b>
<b>Less:</b>			
Capital Replacement	125,000	210,000	132,000
	<b>125,000</b>	<b>210,000</b>	<b>132,000</b>
<b>Ending Balance</b>	<b>377,675</b>	<b>377,348</b>	<b>457,657</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Rapid Transit Capital Reserve*

**Reserve Number(s):** *108047*

**Date Established:** *April 23, 2008 FCS08021*

**Source of Funds:** *Provincial and Metrolinx contributions*

**Purpose:** *Funds to be used for the municipal capital expenditures relating to vehicles and infrastructure to support:  
1) B-Line improvements King-Main Corridor  
2) A-Line improvements James Upper James Corridor.*

**Comments:**

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>14,374,445</b>	<b>14,221,329</b>	<b>14,121,935</b>
<b>Add:</b>			
Interest Earned	373,884	354,655	269,751
	<b>373,884</b>	<b>354,655</b>	<b>269,751</b>
<b>Less:</b>			
Bike Linc Program	0	0	2,600,000
Customer Service Amenities	0	0	1,160,790
2012 work plan for the B-Line and the A-Line	0	0	950,000
Park'n'Ride Terminal & Security Upgrades	72,000	0	920,000
B-Line LRT – Making the Case	0	0	500,000
MacNab Transit Terminal Customer Service Technology	0	0	275,000
Mixed-use building at Mohawk College	65,000	0	128,000
B-Line Parking & Loading Study	0	0	100,000
Transit Priority Measures investigation and Pilot Program	40,000	0	30,000
Quick WINS Project	0	454,050	0
B-Line Underground Assessment	350,000	0	0
	<b>527,000</b>	<b>454,050</b>	<b>6,663,790</b>
<b>Ending Balance</b>	<b>14,221,329</b>	<b>14,121,935</b>	<b>7,727,896</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *YMCA & Turner Library Capital Renewal Reserve*

**Reserve Number(s):** *108048*

**Date Established:** *Schedule A Turner Park Community Centre Agreement*

**Source of Funds:** *Annual contribution from YMCA and Library based on Rentable Area (cents/ft<sup>2</sup>)*

**Purpose:** *Capital replacement and improvements for common areas such as the roof.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>44,480</b>	<b>72,740</b>
<b>Add:</b>			
Interest Earned	114	1,109	2,158
Provision for Replacement	44,366	27,150	27,150
	<u>44,480</u>	<u>28,259</u>	<u>29,308</u>
<b>Ending Balance</b>	<u><u>44,480</u></u>	<u><u>72,740</u></u>	<u><u>102,048</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** Red Light Camera Project  
**Reserve Number(s):** 112203  
**Date Established:** 2004 PW03150 (a)\PW07116 (Revised)  
**Source of Funds:** Surplus in Red light Camera Project

**Purpose:** To Provide funds for the future expansion or continuation of the Red Light Camera Program and to fund road safety improvements to reduce motor vehicle collisions and associated injuries and property damage.

*Revised 2007: That all excess Red Light Camera program fine revenues not required to build, operate or maintain existing or future Red Light Camera sites, be allocated to road safety initiatives, as supported by the Hamilton Strategic Road Safety Program, subject to maintaining a minimum balance of \$100,000 in the red light camera reserve 112203.*

**Comments:** The Reserve has supported, as per PW07116, the establishment of the Hamilton Strategic Road Safety Program, as well as various minor safety activities and projects. The contract for the Red Light Camera program with the Province of Ontario mandates an annual safety media campaign, which is formally being designed in 2011, and is budgeted at \$100,000 annually.

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>1,468,880</b>	<b>3,017,202</b>	<b>3,961,719</b>
<b>Add:</b>			
Interest Earned	38,951	73,589	99,109
Provision for Replacement	52,130	0	52,130
Operating Surplus	1,457,241	1,074,109	0
	<b>1,548,322</b>	<b>1,147,698</b>	<b>151,239</b>
<b>Less:</b>			
Safety Initiatives	0	203,181	46,819
	<b>0</b>	<b>203,181</b>	<b>46,819</b>
<b>Ending Balance</b>	<b>3,017,202</b>	<b>3,961,719</b>	<b>4,066,139</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Winter Control*

**Reserve Number(s):** *112205*

**Date Established:** *January, 1987*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *To minimize the erratic impacts on the annual operating budget due to higher than budgeted snow removal cost resulting from unusually inclement weather.*

**Comments:** *A Winter Control Reserve financing strategy must be developed to provide sustainable funding for the program considering the variable demands on the program imposed by seasonal fluctuations in Winter weather conditions.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>2,401,526</b>	<b>7,073,403</b>	<b>7,249,801</b>
<b>Add:</b>			
Interest Earned	65,018	176,398	181,245
From Year End Surplus	4,304,678	0	0
Budgeted Contribution	302,180	0	0
	<u><b>4,671,876</b></u>	<u><b>176,398</b></u>	<u><b>181,245</b></u>
<b>Ending Balance</b>	<u><u><b>7,073,403</b></u></u>	<u><u><b>7,249,801</b></u></u>	<u><u><b>7,431,046</b></u></u>



**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** 47 Guise St Reserve  
**Reserve Number(s):** 112209  
**Date Established:** Dec 15, 2004 PW04134/PD04322  
**Source of Funds:** All revenues generated from the lease of the Property Former HPA Boating School now HWT & Williams Pub.  
**Purpose:** Fund capital systems replacement and operating contingency expenditures.  
**Comments:**  
**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>61,037</b>	<b>72,155</b>	<b>83,455</b>
<b>Add:</b>			
Interest Earned	1,619	1,799	2,205
Provision for Capital Replacement	9,500	9,500	9,500
	<u>11,119</u>	<u>11,299</u>	<u>11,705</u>
<b>Ending Balance</b>	<u><u>72,155</u></u>	<u><u>83,455</u></u>	<u><u>95,160</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Energy Conservation Initiative Reserve*

**Reserve Number(s):** 112272

**Date Established:** *Nov 14, 2007 PW07127*

**Source of Funds:** *Sources of funds for the Energy Conservation Initiative Reserve include billing recoveries, project incentives as well as current and future savings identified through projects managed by the Energy Office;*

**Purpose:** *To fund initiatives related to energy conservation and demand management as well as the Office of Energy Initiatives (OEI)*

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>2,048,394</b>	<b>3,215,302</b>	<b>6,027,683</b>
<b>Add:</b>			
Interest Earned	71,428	85,326	150,379
Utility Recoveries	593,052	775,572	568,950
Energy Rebates	0	2,913,561	0
Unused Capital Funds-Energy Retrofit Pilot Program	857,500	0	0
Utilities Incentive Credits	662,575	0	0
	<b>2,184,554</b>	<b>3,774,459</b>	<b>719,329</b>
<b>Less:</b>			
Fund Energy Office	528,977	850,939	594,010
Natural Gas Volume Deficit	124,127	60,774	0
Fund Incentives	0	50,365	0
District Cooling System	0	0	0
Mitigate utility savings shortfalls	14,541	0	0
Contribution to Streetlighting	350,000	0	0
	<b>1,017,646</b>	<b>962,078</b>	<b>594,010</b>
<b>Ending Balance</b>	<b>3,215,302</b>	<b>6,027,683</b>	<b>6,153,002</b>

**THE CITY OF HAMILTON  
2011 RESERVE REPORT  
RESERVE BALANCES**

	<b>2010</b>	<b>2011</b>	<b>Projected 2012</b>	<b>Reserve Sustainable</b>	
	<b>\$</b>	<b>\$</b>	<b>\$</b>		
<b><u>RATE SUPPORTED RESERVES</u></b>					
<b><u>Capital/Working Fund Reserves</u></b>					
108005	Sanitary Sewer Capital	51,939,782	44,104,970	39,186,021	Yes
108006	Wastewater Improvement Subsidy	101,326,000	103,852,892	106,449,214	One-Time
108010	Storm Sewer Capital	7,350,023	11,165,707	11,114,434	Yes
108015	Waterworks Capital	7,609,637	12,642,242	13,327,979	Yes
<b><u>Sub-total Capital/Working Fund Reserves</u></b>		<b><u>168,225,442</u></b>	<b><u>171,765,810</u></b>	<b><u>170,077,648</u></b>	
<b><u>Equipment Replacement Reserves</u></b>					
110010	Meter Replacement	4,872,193	4,993,697	5,118,540	Yes
<b><u>Sub-total Equipment Replacement Reserves</u></b>		<b><u>4,872,193</u></b>	<b><u>4,993,697</u></b>	<b><u>5,118,540</u></b>	
<b><u>TOTAL RATE SUPPORTED RESERVES</u></b>		<b><u>173,097,636</u></b>	<b><u>176,759,508</u></b>	<b><u>175,196,188</u></b>	

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Sanitary Sewer Capital*

**Reserve Number(s):** *108005*

**Date Established:** *March, 1975*

**Source of Funds:** *Surplus from Sanitary Sewer Current Budget  
Repayment of Borrowings by Property Owners*

**Purpose:** *This reserve was established to fund Capital Works and to be used as a Working Fund reserve for the Sanitary Sewer Program. As such operating surpluses/deficits are transferred to/from this Reserve.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>54,534,636</b>	<b>51,939,782</b>	<b>44,104,970</b>
<b>Add:</b>			
Interest Earned	1,472,329	1,316,987	1,028,284
From Operating-Revenue Variance Adjustment	1,243,605	0	2,537,240
Debt Repayment DC's	1,296,341	1,296,341	1,296,341
Debt Repayment-Four Pad Arena Loan	484,967	484,967	484,967
Local Improvement Commutations	303,242	137,717	28,000
Operating Surplus	0	477,265	0
Hamilton Renewable Power Inc. Regular Dividend	189,491	183,980	0
Work in Progress Project Review-Closings	1,216,408	0	0
	<b>6,206,382</b>	<b>3,897,256</b>	<b>5,374,831</b>
<b>Less:</b>			
Capital Budget Financing	0	10,100,000	7,024,500
Industrial/Commercial/Institutional Revenue Reduction- Phase in	0	0	2,299,280
Basement Flooding Assistance Program FCS06007	243,584	27,969	935,000
Rate Structure Review FCS11025	0	0	35,000
To Operating-Revenue Variance Adjustment	0	1,604,100	0
Investigation of Allegations LS10007	214,112	0	0
Operating Deficit	4,426,504	0	0
Protective Plumbing Program FCS09100	3,907,036	0	0
Tangible Capital Asset Project	10,000	0	0
	<b>8,801,236</b>	<b>11,732,069</b>	<b>10,293,780</b>
<b>Ending Balance</b>	<b>51,939,782</b>	<b>44,104,970</b>	<b>39,186,021</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Wastewater Improvement Subsidy*

**Reserve Number(s):** *108006*

**Date Established:** *June 2010*

**Source of Funds:** *Provincial Grant*

**Purpose:** *For the Woodward Avenue Wastewater Treatment Plant Upgrades, which consists of new tertiary membrane treatment plant, a new chlorine contact tank, new tertiary effluent outfall and upgrades to Red Hill Creek, power supply, electrical distribution system and standby power upgrades.*

**Comments:** *Withdrawals from the reserve for the Woodward Avenue Wastewater Treatment Plant Upgrades is estimated to begin in 2017.*

**Sustainable:** *One-Time*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>0</b>	<b>101,326,000</b>	<b>103,852,892</b>
<b>Add:</b>			
Interest Earned	1,326,000	2,526,892	2,596,322
Provincial Contribution-WTP Upgrades	100,000,000	0	0
	<b>101,326,000</b>	<b>2,526,892</b>	<b>2,596,322</b>
<b>Ending Balance</b>	<b>101,326,000</b>	<b>103,852,892</b>	<b>106,449,214</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Storm Sewer Capital*

**Reserve Number(s):** *108010*

**Date Established:** *March, 1975*

**Source of Funds:** *Surplus from Storm Sewer Current Budget*

**Purpose:** *This reserve was established to fund Capital Works and to be used as a Working Fund reserve for the Storm Sewer Program. As such operating surpluses/deficits are transferred to/from this Reserve.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>5,959,292</b>	<b>7,350,023</b>	<b>11,165,707</b>
<b>Add:</b>			
Interest Earned	165,290	190,625	275,063
Debt Repayment- DC Funding Shortfall	597,664	597,664	597,664
Local Improvement Commutations	119,285	59,796	6,000
Operating Surplus	752,076	2,995,568	0
	<b>1,634,315</b>	<b>3,843,653</b>	<b>878,727</b>
<b>Less:</b>			
Basement Flooding Assistance Program      FCS06007	243,584	27,969	930,000
	<b>243,584</b>	<b>27,969</b>	<b>930,000</b>
<b>Ending Balance</b>	<b>7,350,023</b>	<b>11,165,707</b>	<b>11,114,434</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Waterworks Capital*

**Reserve Number(s):** *108015*

**Date Established:** *March, 1975*

**Source of Funds:** *Surplus from Waterworks Current Budget  
Repayment of Borrowings by property owners*

**Purpose:** *This reserve was established to fund Capital Works and to be used as a Working Fund reserve for the Waterworks Program. As such operating surpluses/deficits are transferred to/from this Reserve.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>10,747,703</b>	<b>7,609,637</b>	<b>12,642,242</b>
<b>Add:</b>			
Interest Earned	297,667	201,761	320,620
Debt Repayment-D.C. Shortfall	1,048,988	1,048,987	1,048,987
From Operating-Revenue Variance Adjustment	1,243,605	0	275,130
Local Improvement Commutations	3,002	6,687	11,000
Operating Surplus	0	5,407,238	0
	<b>2,593,262</b>	<b>6,664,674</b>	<b>1,655,737</b>
<b>Less:</b>			
Basement Flooding Assistance Program      FCS06007	243,584	27,969	935,000
Rate Structure Review                              FCS11025	0	0	35,000
To Operating-Revenue Variance Adjustment	0	1,604,100	0
Operating Deficit	5,477,743	0	0
Tangible Capital Asset Project	10,000	0	0
	<b>5,731,328</b>	<b>1,632,069</b>	<b>970,000</b>
<b>Ending Balance</b>	<b>7,609,637</b>	<b>12,642,242</b>	<b>13,327,979</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Meter Replacement*

**Reserve Number(s):** *110010*

**Date Established:** *January, 1990*

**Source of Funds:** *Contributions from Operating Fund*

**Purpose:** *This reserve was established to provide a replacement fund for water meters which are outdated. Any Surplus/Deficit in the budget for annual meter replacement is transferred to/from this reserve.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>4,746,332</b>	<b>4,872,193</b>	<b>4,993,697</b>
<b>Add:</b>			
Interest Earned	125,861	121,504	124,842
	<b>125,861</b>	<b>121,504</b>	<b>124,842</b>
<b>Ending Balance</b>	<b>4,872,193</b>	<b>4,993,697</b>	<b>5,118,540</b>



**THE CITY OF HAMILTON  
2011 RESERVE REPORT  
RESERVE BALANCES**

	2010	2011	Projected 2012	Reserve Sustainable	
	\$	\$	\$		
<b><u>OBLIGATORY RESERVES</u></b>					
<b><u>Planning &amp; Development Reserves</u></b>					
104050	Building Permit Fees Revolving Fund	7,376,497	9,841,619	9,575,699	Yes
113008	Future Sidewalks Project Reserve-Ancaster	48,755	49,971	51,220	Yes
<b>Sub-total Planning &amp; Development Reserves</b>		<b>7,425,251</b>	<b>9,891,590</b>	<b>9,626,919</b>	
<b><u>Gas Tax Reserves</u></b>					
112204	Transit Gas Tax Reserve	20,502,825	24,504,662	19,701,164	Yes
112213	Federal Gas Tax Reserve	8,505,639	22,417,114	13,456,258	Yes
<b>Sub-total Gas Tax Reserves</b>		<b>29,008,464</b>	<b>46,921,776</b>	<b>33,157,422</b>	
<b><u>Parkland Dedication Reserves</u></b>					
104090	5% Parkland Dedication Reserve	10,054,269	10,392,455	10,782,686	Yes
<b>Sub-total Parkland Dedication Reserves</b>		<b>10,054,269</b>	<b>10,392,455</b>	<b>10,782,686</b>	
<b><u>Development Charge Reserves</u></b>					
999999	Development Charges Reserve	66,412,892	39,408,096	43,914,292	Yes
<b>Sub-total Development Charge Reserves</b>		<b>66,412,892</b>	<b>39,408,096</b>	<b>43,914,292</b>	
<b><u>Subdividers' Contributions</u></b>					
999998	Developer Recoveries	1,012,414	(1,453,801)	(538,474)	Yes
<b>Sub-total Subdividers' Contributions</b>		<b>1,012,414</b>	<b>-1,453,801</b>	<b>(538,474)</b>	
<b>TOTAL OBLIGATORY RESERVES</b>		<b>113,913,291</b>	<b>105,160,117</b>	<b>96,942,845</b>	

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Building Permit Fees Revolving Fund*

**Reserve Number(s):** *104050*

**Date Established:** *1993*

**Source of Funds:** *Excess Building permit revenues*

**Purpose:** *To smooth fluctuations in permit revenue in future years.*

**Comments:** *If the reserves exceeds 1.0 to 1.5 times the operating costs, it will be capped. Any revenues in excess of the cap would be returned to the users through a permit fee reduction.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected <u>2012</u></b>
<b>Beginning Balance</b>	<b>3,369,567</b>	<b>7,376,497</b>	<b>9,841,619</b>
<b>Add:</b>			
Interest Earned	88,451	183,957	239,720
Building Permit Department Surplus	4,023,479	2,281,166	0
	<b>4,111,930</b>	<b>2,465,123</b>	<b>239,720</b>
<b>Less:</b>			
Deficit – Bldg Enterprise Model	0	0	505,640
Vehicle Purchases	105,000	0	0
	<b>105,000</b>	<b>0</b>	<b>505,640</b>
<b>Ending Balance</b>	<b>7,376,497</b>	<b>9,841,619</b>	<b>9,575,699</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Future Sidewalks Project Reserve-Ancaster*

**Reserve Number(s):** *113008*

**Date Established:** *New in 2000*

**Source of Funds:** *Contributions from Developers*

**Purpose:** *To provide for future sidewalks as a result of new development in the Former Town of Ancaster*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>47,495</b>	<b>48,755</b>	<b>49,971</b>
<b>Add:</b>			
Interest Earned	1,259	1,216	1,249
	<u>1,259</u>	<u>1,216</u>	<u>1,249</u>
<b>Ending Balance</b>	<u><u>48,755</u></u>	<u><u>49,971</u></u>	<u><u>51,220</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Transit Gas Tax Reserve*

**Reserve Number(s):** *112204*

**Date Established:** *Jan 2005*

**Source of Funds:** *Provincial Gas Tax Revenues*

**Purpose:** *Fund the expansion of public transportation, capital infrastructure and levels of service.*

**Comments:**

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>20,222,391</b>	<b>20,502,825</b>	<b>24,504,662</b>
<b>Add:</b>			
Interest Earned	353,134	466,006	545,751
Gas Tax Revenue	10,548,701	10,887,525	10,696,440
	<u>10,901,835</u>	<u>11,353,531</u>	<u>11,242,191</u>
<b>Less:</b>			
To Transit Operating Fund	3,895,506	5,576,209	10,983,730
Capital Requirements	6,725,895	1,775,484	5,061,959
	<u>10,621,402</u>	<u>7,351,693</u>	<u>16,045,689</u>
<b>Ending Balance</b>	<u><u>20,502,825</u></u>	<u><u>24,504,662</u></u>	<u><u>19,701,164</u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** Federal Gas Tax Reserve

**Reserve Number(s):** 112213

**Date Established:** 2005

**Source of Funds:** A per litre amount as follows:  
1.5 cents for 2005-07  
2.0 cents for 2007-08  
2.5 cents for 2008-09  
5.0 cents for 2009-10

**Purpose:** To fund environmentally sustainable municipal infrastructure projects within the following categories: Public Transit Projects; Water/ Wastewater Projects; Local roads, bridges and tunnels including active infrastructure (bike lanes) projects; Community energy Systems projects (retrofit municipal buildings and infrastructure)

**Comments:** Municipalities have up to 3 years after the year the money was received to spend the funds.

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>1,172,952</b>	<b>8,505,639</b>	<b>22,417,114</b>
<b>Add:</b>			
Interest Earned	409,282	405,105	753,895
Gas Tax Revenue	30,954,695	30,954,695	30,954,695
	<b>31,363,977</b>	<b>31,359,800</b>	<b>31,708,589</b>
<b>Less:</b>			
Capital Requirements	24,029,661	17,446,697	40,667,817
Audit Costs	1,628	1,628	1,628
	<b>24,031,289</b>	<b>17,448,325</b>	<b>40,669,445</b>
<b>Ending Balance</b>	<b>8,505,639</b>	<b>22,417,114</b>	<b>13,456,258</b>

## **CITY OF HAMILTON 2011 RESERVE REPORT**

**Reserve Name:** 5% Parkland Dedication Reserve

**Reserve Number(s):** 104090

**Date Established:** Prior to 1964

**Source of Funds:** i) 5% lands, or cash-in-lieu conveyed by developer.  
ii) Sale of land, originally acquired for parks as recreation purposes, but no longer required.  
iii) Rental of parkland.

**Purpose:** To finance the acquisition and development, etc. of parkland under the Planning Act, R.S.O. 1980, Chapter 379. Section 25, Subsection (1) and Section 50, Subsection (12) of The Planning Act -1983.

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>6,651,065</b>	<b>10,054,269</b>	<b>10,392,455</b>
<b>Add:</b>			
Interest Earned	206,584	252,314	261,421
5% Dedication Fee	4,368,494	4,058,604	1,500,000
Debt Repayment - Parkland Purchases	382,845	413,702	405,467
Land Sales	35,328	0	0
	<b>4,993,251</b>	<b>4,724,619</b>	<b>2,166,888</b>
<b>Less:</b>			
Parkland Credits-Ancaster & Binbrook	0	0	1,000,000
Land Purchase 155 Macassa Ave	0	1,036,342	268,658
Shaver Neighbourhood Park Development	0	0	208,000
Crown Point East Property Acquisition	400,000	0	200,000
Purchase 220 Cranbrook PED12053	0	0	90,000
Jerome Neighbourhood Park	0	0	10,000
Land Purchase-301 Lewis Rd	0	2,250,000	0
Cherry Beach Property Purchases PW08071(a)	850,000	845,000	0
Trillium Seabreeze Neighbourhood Park	200,047	200,000	0
Project Closings Shortfall	0	55,091	0
Loan - Purchase 236 King St. Dundas	140,000	0	0
	<b>1,590,047</b>	<b>4,386,433</b>	<b>1,776,658</b>
<b>Ending Balance</b>	<b>10,054,269</b>	<b>10,392,455</b>	<b>10,782,686</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Development Charges Reserve*

**Reserve Number(s):** 999999

**Date Established:** *June, 1990*

**Source of Funds:** *Development Charge Collections on New Development*

**Purpose:** *Under the Development Charges Act a municipality can impose a capital levy on new residential and non-residential developments to finance growth related Capital expenditures. The City approved Development Charges By-law 04-145 as amended by By-Law 06-173 to impose development charges.*

**Comments:** *A separate yearly Development Charge Status Report is presented to Council. This report will include more detail.*

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>34,849,314</b>	<b>66,412,892</b>	<b>39,408,096</b>
<b>Add:</b>			
Interest Earned	1,017,833	1,310,449	1,854,178
Collections	47,956,850	41,219,908	55,804,604
Recovery for DC Exemptions	6,313,092	7,756,162	9,000,000
Debt Repayment-Four Pad	484,967	484,967	484,967
	<u><b>55,772,742</b></u>	<u><b>50,771,486</b></u>	<u><b>67,143,749</b></u>
<b>Less:</b>			
Capital Financing	14,998,987	55,886,511	52,290,121
Debt Repayment	8,061,164	7,971,056	9,605,215
Payment to Developers	431,797	369,730	450,000
Other Transfers	717,216	3,548,985	292,217
To Red Hill Business Park Reserve	0	10,000,000	0
	<u><b>24,209,164</b></u>	<u><b>77,776,281</b></u>	<u><b>62,637,553</b></u>
<b>Ending Balance</b>	<u><u><b>66,412,892</b></u></u>	<u><u><b>39,408,096</b></u></u>	<u><u><b>43,914,292</b></u></u>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Developer Recoveries*

**Reserve Number(s):** 999998

**Date Established:** 2001

**Source of Funds:** *Development Charge Collections (Special Area Charges)*

**Purpose:** *Special Area Development Charges imposed on new developments in Binbrook, Dundas and Waterdown and related to Financing agreements entered into with front-ending development to recover costs associated with infrastructure provided by developer. D.C. by-law 040-145 as amended by by-law 06-173 provides authority to Levy Special Area Charges.*

**Comments:**

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<u>Projected 2012</u>
<b>Beginning Balance</b>	<b>261,796</b>	<b>1,012,414</b>	<b>-1,453,801</b>
<b>Add:</b>			
Interest Earned	13,603	-1,993	-13,134
Collections	737,015	600,235	928,460
	<b>750,618</b>	<b>598,242</b>	<b>915,326</b>
<b>Less:</b>			
Payments	0	3,064,457	0
	<b>0</b>	<b>3,064,457</b>	<b>0</b>
<b>Ending Balance</b>	<b>1,012,414</b>	<b>-1,453,801</b>	<b>-538,474</b>



**THE CITY OF HAMILTON  
2011 RESERVE REPORT  
RESERVE BALANCES**

		<b>2010</b>	<b>2011</b>	<b>Projected 2012</b>	<b>Reserve Sustainable</b>
		\$	\$	\$	
<b><u>HAMILTON FUTURE FUND RESERVES</u></b>					
112246	Hamilton Future Fund A	64,582,358	65,405,919	43,051,904	Yes
112247	Hamilton Future Fund B	8,407,961	8,100,076	2,331,448	Yes
<b><u>TOTAL HAMILTON FUTURE FUND RESERVES</u></b>		<b><u>72,990,319</u></b>	<b><u>73,505,995</u></b>	<b><u>45,383,352</u></b>	

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Hamilton Future Fund A*

**Reserve Number(s):** *112246*

**Date Established:** *2002*

**Source of Funds:** *Special Dividend from Hamilton Hydro*

**Purpose:** *Fund Projects that create and protect a permanent legacy for current and future generations of Hamiltonians to enjoy economic prosperity and improved quality of life.*

**Comments:** *Originally, this reserve was to be protected for 5 years in order to create a self-sustaining fund, but in 2004 Council committed \$100,000,000 to fund the Waste Management Master Plan. These will be repaid over a 15 year period from the date of funding.*

*In 2009, Council approved using \$60 million as a grant to fund the Pan Am Games Stadium.*

**Sustainable:** *Yes*

	<u>2010</u>	<u>2011</u>	<b>Projected</b> <u>2012</u>
<b>Beginning Balance</b>	<b>64,616,265</b>	<b>64,582,358</b>	<b>65,405,919</b>
<b>Add:</b>			
Interest Earned	2,821,109	2,702,063	1,338,985
Capital Gains	447,444	131,884	0
Debt Repayment-Capital Advance	6,268,353	6,604,949	8,663,000
	<b>9,536,905</b>	<b>9,438,896</b>	<b>10,001,985</b>
<b>Less:</b>			
Pan Am Games	0	1,005,837	25,794,000
Capital Loan Advances	3,997,812	3,182,499	6,562,000
West Harbourfront Land Purchases	5,573,000	4,427,000	0
	<b>9,570,812</b>	<b>8,615,335</b>	<b>32,356,000</b>
<b>Ending Balance</b>	<b>64,582,358</b>	<b>65,405,919</b>	<b>43,051,904</b>

**CITY OF HAMILTON  
2011 RESERVE REPORT**

**Reserve Name:** *Hamilton Future Fund B*

**Reserve Number(s):** 112247

**Date Established:** 2002

**Source of Funds:** *Special Dividend from Hamilton Hydro*

**Purpose:** *Fund Projects that create and protect a permanent legacy for current and future generations of Hamiltonians to enjoy economic prosperity and improved quality of life.*

**Comments:** *This reserve is intended to be strategically invested in projects over 5 years.*

**Sustainable:** Yes

	<u>2010</u>	<u>2011</u>	<b>Projected <u>2012</u></b>
<b>Beginning Balance</b>	<b>8,809,234</b>	<b>8,407,961</b>	<b>8,100,076</b>
<b>Add:</b>			
Interest Earned	383,024	344,766	128,784
Capital Gains	60,750	16,828	0
	<b>443,774</b>	<b>361,594</b>	<b>128,784</b>
<b>Less:</b>			
Future Fund approved Projects	845,047	669,479	5,897,412
	<b>845,047</b>	<b>669,479</b>	<b>5,897,412</b>
<b>Ending Balance</b>	<b>8,407,961</b>	<b>8,100,076</b>	<b>2,331,448</b>

## **CITY OF HAMILTON RESERVE POLICIES**

### **1. GENERAL RESERVE POLICIES**

- a) That all expenditures from any reserve or reserve fund require Council approval either through a separate report or through the annual budget process.
- b) That all expenses and revenues be processed through the current and capital fund and then transferred to or from reserves except for transactions involving deferred revenues and obligatory reserve funds which include Development Charge reserves.
- c) That actual investment earnings from the City's investment management program be allocated to the Reserves, to the Reserve funds, to the Obligatory Reserves and to the Capital Fund based on month end balances from these sources for a 12 month period.
- d) That the creation of new reserves be reviewed by the General Manager of Finance & Corporate Services for compliance to the Municipal Act and for compliance to the City's Reserve Policies.

### **2. BORROWING FROM RESERVES**

- a) That borrowings from a reserve be allowed only if the analysis of the reserve's funds indicates excess funds are available and the use of these funds will not impact the reserves current operations.
- b) That all internal reserve borrowings be repaid with principal and interest.
- c) That the internal borrowing interest rate be the equivalent of the City of Hamilton's external borrowing rate at the time of borrowing.

### **3. STABILIZATION RESERVES**

- a) That the Tax Stabilization Reserve be used to reduce the impact of increases in the cost of services for Housing and Social Services as a result of economic downturns and also to be used at the discretion of Council for non-recurring items.
- b) To provide sufficient flexibility and protection for unforeseen events, a target range to be maintained in the Tax Stabilization reserves of 5% of annual tax revenues. That the City's move toward achieving the minimum target of 5% of tax revenues be based on the City's financial affordability.

- c) Stabilization reserve balances may be used at Council's discretion for emergencies, unanticipated economic downturns, and one time opportunities. If feasible, minimum balances shall be restored in the following year or at the maximum, within 5 years of use.

#### **4. PROGRAM SPECIFIC RESERVE POLICIES**

- a) That funds in the Hamilton Public Library's Major Capital Projects Reserve be expended for branch services in the area for which they were collected or expended on city-wide service development.
- b) That any future surpluses arising from the Hamilton Public Library's operating budget be transferred to the Library's Major Capital Projects Reserve held by the City of Hamilton and used, upon recommendation by the Library Board, for Library capital needs.
- c) That any future deficits from the Library's Operating budget be funded firstly from this reserve.
- d) That Program Specific reserves only be established if there is an associated financial plan to ensure sustainability of these reserves. The financial plan should include target balances.
- e) That the Program Specific reserves be reviewed annually and provide or update the associated financial plan if necessary.
- f) That year end surpluses related to these programs only be transferred to their reserves subject to statutory and legal constraints and subject to the overall corporate operating surplus.

#### **5. VEHICLE & EQUIPMENT REPLACEMENT RESERVES**

- a) That the Vehicle & Equipment Replacement Reserves be funded through a contribution from the operating budget, based on lifecycle costing and depreciation and projections for changes in the fleet and equipment.
- b) Minimum reserve levels be established based on life cycle replacement schedules and updated annually.
- c) Proceeds from the disposal of capital equipment be deposited to the credit of the applicable Vehicle and Equipment Replacement Reserve.

## **6. WINTER CONTROL RESERVE**

- a) That a target balance for the Winter Control Reserve (112205) be established as 25% of the five (5) year average actual expenditures for Winter Control;
- b) That the transfer of the Winter Control operating expenditure surplus to the Winter Control Reserve (112205) be subject to the overall Tax Supported operations reporting a year-end positive variance and subject to recommendation (a) (target 25% of 5 year average);
- c) That the transfer of the Winter Control operating expenditure surplus to the Winter Control Reserve (112205) be approved through the Year-End Tax Operating Budget Variance Report and through the Disposition of the Yearend Surplus/Deficit Report, and be subject to final financial audit;

## **7. CAPITAL RESERVES**

- a) To provide sufficient flexibility and protection for unforeseen capital related events a target be maintained in the Tax Capital Levy Reserve of 5% of annual tax revenues and that the City's move toward achieving the target of 5% of tax revenues be based on the City's financial affordability.
- b) That a portion of the year end Capital Financing Surplus (Debt Charges), be transferred to the Tax Capital Levy Reserve subject to the overall corporate surplus.
- c) That the maximum capital reserve balances be reviewed periodically to ensure sustainability.

## **8. EMPLOYEE RELATED PENSION AND BENEFITS COSTS**

- a) That the Employee related benefits and pension cost reserves be monitored on a regular basis to ensure that appropriate funds are set aside to finance future unfunded obligations.

## **9. UTILITY RATE SUPPORTED RESERVES**

- a) That the utility rate reserves be reviewed annually to ensure sufficiency of balances and that these reserves be funded from operating surpluses and contributions from operating fund.

## **10. DEVELOPMENT CHARGES**

- a) That future growth-related capital spending from all development charge reserve funds be limited to the previous year's balance in the development charge reserve.
- b) That the use of debenture financing for shortfalls in development charge revenue be limited to non-residential development only and to the extent that future collections are available to repay the debt charges. In addition where there are insufficient collections, Capital projects are to be deferred until such time as collections are sufficient to cover debt charges.

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