

CITY OF HAMILTON
2024-2027 RESERVE FINANCING STRATEGY

Reserve	2024	2025	2026	2027	Notes
TAX SUPPORTED OPERATING BUDGET					
Housing Sustainability and Investment Roadmap					
COVID-19 Emergency Reserve (110053) *	\$ (31,387,430)				To fund Encampment Protocol (\$4,637,670), Hotel Overflow (\$13,920,000), Family Shelter System (\$1.852M) and End of Mortgage Strategy (\$10,977,760)
Investment Stabilization Reserve (112300)	\$ (40,867,440)	\$ (3,935,600)			Fund remaining End of Mortgage Strategy (\$9,867,440) and Supportive Housing (\$31.0M). Horizon Utilities Corporation (HUC) Dividend estimated shortfall (\$3.9M) funded with assumption of stabilization of dividends in 2026.
Subtotal Housing Sustainability and Investment Roadmap	\$ (72,254,870)	\$ (3,935,600)	\$ -	\$ -	
Property Tax Affordability Strategy					
Transit Gas Tax Reserve (112204)	\$ (2,137,000)	\$ (5,077,000)	\$ (5,631,000)	\$ (3,110,755)	Utilize available balance in the reserve to fund transit expansion (10-Year Local Transit Strategy) and revenue shortfalls. Any increase in annual provincial contributions to be directed towards offsetting operating pressures.
Grants & Subsidy Reserve (110048) *	\$ (1,090,430)				To fund shortfalls from Provincial Funding Agreements - fund Public Health pressures over funding cap and close out reserve.
Public Health Services Reserve (112219) *	\$ (205,544)				To fund shortfalls from Provincial Funding Agreements - fund Public Health pressures over funding cap and close out reserve.
Federal Housing Initiatives Reserve (112239) *	\$ (14,424)				One-time affordable housing grant. To offset RGI subsidy and close out reserve.
Social Housing Transition Reserve (112244) *	\$ (56,070)				One-time funding for transition to Service Manager. To offset provincial benchmarks and close out reserve.
Early Years System Reserve (112218) *	\$ (2,325,473)	\$ (1,261,014)			Transition to the Early Years System - funding from COVID-19 surplus (\$3M). Fund Children's Services pressures over funding cap, and other Provincial Funding Agreement pressures and close out reserve.
Workplace Safety & Insurance Board Reserve (112040)	\$ (2,114,600)	\$ (17,357,300)	\$ (9,500,000)		Phase in Hamilton Police Service WSIB impacts and CBA impacts in future years
Unreported Claims Reserve (112020) *	\$ (4,054,152)				Phase in employer benefit impacts, draw down balance and close out reserve.
Claims Fluctuation Reserve (112025)	\$ (4,400,000)	\$ (3,000,000)	\$ (1,000,000)		Phase-in employer benefit impacts with excess surplus funding in reserve (\$1.5M for ATU CBA in 2024)
Winter Control Reserve (112205)*	\$ (1,991,030)	\$ (1,000,000)	\$ (728,133)		To phase in winter control budget pressure and close out reserve
Subtotal Property Tax Affordability Strategy	\$ (18,388,723)	\$ (27,695,314)	\$ (16,859,133)	\$ (3,110,755)	
SUBTOTAL TAX SUPPORTED OPERATING BUDGET	\$ (90,643,593)	\$ (31,630,914)	\$ (16,859,133)	\$ (3,110,755)	
TAX SUPPORTED CAPITAL BUDGET					
Development Charge Exemptions Phase-in Strategy					
Capital Works-in-Progress Interest (2050101100, 3380101100, 3380101101)	\$ (13,410,849)	\$ (5,559,000)			To phase in DC exemptions strategy
Unallocated Capital Levy Reserve (108020)	\$ (14,124,056)	\$ (13,422,250)			To phase in DC exemptions strategy
Subtotal Development Charge Exemptions Phase-in Strategy	\$ (27,534,905)	\$ (18,981,250)	\$ -	\$ -	
Extraordinary Inflation Funding Strategy					
Community Heritage Program Reserve (102047) *	\$ (25,000)	\$ -	\$ (25,000)	\$ (18,600)	Fund project 8202441001 - Hamilton Heritage Conservation Grant Program and close out reserve
Commercial Property Improvement Grant Program (112229) *	\$ (200,000)	\$ -	\$ (107,119)		Fund project 8202203204 - Commercial District Revitalization Grant program and close out reserve
General Facility Capital Reserve (108039) *	\$ (197,758)				Fund project 7100054702 - Program-Facility Capital Maintenance and close out reserve
IT Management Reserve (110015)	\$ (3,588,817)	\$ (8,000,000)			To fund cybersecurity capital projects.
Canada Community Building Fund Reserve (112213)	\$ (26,921,001)	\$ (4,678,999)			To fund the Hamilton Street Railway Storage Facility cost escalation
2023 Capital Financing Surplus	\$ (10,500,000)				To fund historical unfunded DC exemptions (\$6.5M) and inflation on capital blocks (\$4M)
Subtotal Extraordinary Inflation Funding Strategy	\$ (41,432,576)	\$ (12,678,999)	\$ (132,119)	\$ (18,600)	
SUBTOTAL TAX SUPPORTED CAPITAL BUDGET	\$ (68,967,481)	\$ (31,660,249)	\$ (132,119)	\$ (18,600)	
TOTAL	\$ (159,611,074)	\$ (63,291,163)	\$ (16,991,252)	\$ (3,129,355)	

*Reserves to be Closed	Identified Year for Closure
COVID-19 Emergency Reserve (110053) *	2024
Grants & Subsidy Reserve (110048) *	2024
Public Health Services Reserve (112219) *	2024
Federal Housing Initiatives Reserve (112239) *	2024
Social Housing Transition Reserve (112244) *	2024
Early Years System Reserve (112218) *	2025
Unreported Claims Reserve (112020) *	2024
Winter Control Reserve (112205)*	2026
Community Heritage Program Reserve (102047) *	2026
Commercial Property Improvement Grant Program (112229) *	2025
General Facility Capital Reserve (108039) *	2024

* Denotes reserves to be closed upon completion of the proposed funding strategy