



STAFF REPORT ACTION REQUIRED

Investment Earnings Policy and the Administration of Reserve Accounts

| | |
|--------------------------|---|
| Date: | January 23, 2008 |
| To: | Executive Committee |
| From: | Deputy City Manager and Chief Financial Officer |
| Wards: | All |
| Reference Number: | P:\2008\Internal Services\Cf\ec08003Cf – et (AFS #1546) |

SUMMARY

This report provides a policy for which funds will be held as a reserve versus a reserve fund. The four circumstances for the establishment of reserve funds are:

1. where there is a mandatory obligation to provide interest set out in legislation or an agreement;
2. where a capital asset is to be acquired or maintained (other than through donated funds);
3. where a future liability is increasing over time; and
4. where the intent is to create an endowment.

As well, as a consequence of these principles, it is being recommended that funds acquired as a result of an agreement under Section #37 of the *Planning Act* or a Committee of Adjustment decision under Section #45 of the *Planning Act*, be carried in the City's accounts as a reserve fund account in the Planning Act Reserve Funds thereby receiving interest.

As a consequence of the adoption of this policy, Municipal Code 227 – Administration of Reserves and Reserve Funds – will require amendment since some accounts currently classified as reserve funds are to be reclassified as reserves. As well, the report creates a new capital maintenance reserve fund for the soccer stadium.

RECOMMENDATIONS

The Deputy City Manager and Chief Financial Officer recommends that:

1. the policy as outlined in Appendix A, concerning the allocation of investment earnings to reserve accounts, be adopted;
2. consistent with the policy recommended in Recommendation (1), reserves, reserve funds and accounts as set out in Appendix B be established or re-established for the purpose set out in the respective Schedules to Appendix B for each reserve, reserve fund and account, and Municipal Code Chapter 227, Administration of Reserves and Reserve Funds, be amended by adding the reserves, reserve funds and accounts to their respective schedules as set out in Schedules 1 through 18 in Appendix B;
3. the above recommendations be effective January 1, 2008;
4. Council establish an obligatory reserve fund called the ‘Soccer Stadium Capital Maintenance Reserve Fund’ to be used to provide for capital expenditures (i.e. capital expenditures as defined as per GAAP) for the soccer stadium at Exhibition Place and that it be added to the new Schedule #15 – Third Party Agreements Reserve Funds in Municipal Code Chapter 227;
5. the Deputy City Manager and Chief Financial Officer be authorized to establish accounts as required with balances on hand within the Planning Act Reserve Fund so that Section #37 and #45 funds will become reserve funds;
6. Council waive the current requirement for each account to be established within the Planning Act Reserve Funds via a by-law in order to expedite the creation of the necessary accounts as noted in Recommendation No. 7;
7. authority be delegated to the City Solicitor to periodically submit bills to amend Municipal Code 227 – Administration of Reserves and Reserve Funds – as future accounts are created, in order to include these accounts within the Planning Act Reserve Funds;
8. for accounts within the Planning Act Reserve Funds, where the balance in an account is the lesser of 10% of the original funding or \$10,000, that these funds can be used for a similar purpose within the same ward as the originating development;
9. Municipal Code 227 – Administration of Reserves and Reserve Funds be amended to authorize the Treasurer to establish accounts within the Planning Act Reserve Funds where Council has adopted a report containing a development agreement with Section #37 provisions which are clearly and totally described in

- the Financial Impact Section of said report, and to establish the seven criteria required by § 227-2B(1) through (7) of the Code;
10. the City Solicitor and the Chief Planner and Executive Director, City Planning Division in consultation with the Deputy City Manager and Chief Financial Officer be authorized to amend the current Agreement report template to include wording giving the City authority to exercise the policy enunciated in Recommendation No. 9, as well as the authority for the Deputy City Manager and Chief Financial Officer to establish an account within the Planning Act Reserve Fund; and
 11. the appropriate officials be authorized and directed to take the necessary action to give effect thereto, and leave be granted for the introduction of any necessary bills in Council to give effect thereto.

Financial Impact

It is estimated that the impact of this policy in 2008 will be that investment revenues in the Operating Budget will be approximately \$2 million higher than they would have been had the policy not been implemented and the allocation in aggregate to the reserve funds will be similarly reduced. The 2008 Operating Budget already incorporates the revenue impact of this report.

DECISION HISTORY

At its meeting of April 29 and 30, 1998, Council adopted, as amended, Clause 12 of Report No. 12 (April 16, 1998) of the Strategic Priorities and Policies Committee entitled “Establishment of City Reserves and Reserve Funds” from the Chief Financial Officer & Treasurer. That report recommended the consolidation of various corporate reserves and reserve funds established by the seven former municipalities.

<http://www.toronto.ca/legdocs/agendas/council/cc/cc980429/sp6rpt/cl012.htm>

At its meeting of February 29, March 1 and 2, 2000, and April 13, 2000, Council amended Clause 2 of Report No. 3 of Policy and Finance Committee entitled “Administration of Reserves and Reserve Funds”. That report recommended the rules for the establishment and use of reserves and reserve funds, established Municipal Code Chapter 227 – Administration of Reserves and Reserve Funds - and catalogued reserves and reserve funds into three groups: Reserves, Obligatory Reserve Funds, and Discretionary Reserve Funds.

<http://www.toronto.ca/legdocs/2000/agendas/council/cc/cc000229/pof3rpt/cl002.pdf>

At its meeting of May 18-20, 2004, Council adopted Clause 8 of Report No. 4 of the Policy and Finance Committee from the Chief Financial Officer and Treasurer entitled ‘Consolidation of Reserve Funds’ which reorganized the reserve accounts into 39 major accounts at the request of Council to reduce the number of accounts and rationalize the use of such account types.

<http://www.toronto.ca/legdocs/2004/agendas/council/cc040518/pof4rpt/c1008.pdf>

At its meeting of October 26, 27, 28, and 31, 2005, Council adopted Clause 30 of Report No. 9 of the Policy and Finance Committee from the Deputy City Manager and Chief Financial Officer entitled ‘ Administrative Amendments to Reserve Fund Accounts’ which (1) realigned the beneficiary programs for reserve/reserve fund accounts based on the City’s new organizational structure, (2) refined the criteria and delegation of authority for the establishment of reserve and reserve fund accounts including situations where only the major criteria have been adopted by Council, and (3) properly established a number of reserve funds which had been identified since the Consolidation of Reserve Funds report had been adopted by Council in May 2004.

<http://www.toronto.ca/legdocs/2005/agendas/council/cc051026/pof9rpt/c1030.pdf>

ISSUE BACKGROUND

Since amalgamation there has not been a formal review of the basis for the determination under what circumstances staff would recommend to Council that funds be held as reserves or reserve funds. In other words, there is no policy regarding the allocation of interest earnings to funds held by the City.

COMMENTS

Council has the authority to establish reserves and reserve funds through the *City of Toronto Act* and Section 227 of the Municipal Code. There are also instances where the City is required to set up a reserve or reserve fund under specific provincial legislation (such as the *Development Charges Act*) and through agreements with third parties. For the purposes of this report, the difference between reserve and reserve funds is that reserve funds are allocated investment income on their average balances and reserves do not earn investment income (it gets allocated to the operating budget as investment revenue). This report provides a rationale under which circumstances staff will recommend that funds be held as a reserve versus a reserve fund.

New Criteria for the Establishment of Reserve Funds

Funds will generally be held as reserves except under the following conditions. The recommended criteria that will be applied to determine that there is a requirement to establish a reserve fund are as follows:

- i) obligatory – statute and contract,
- ii) capital – new project and maintenance,
- iii) accounts accumulating funds to pay for certain long term liabilities, and/or
- iv) endowment.

i) Obligatory

There are certain circumstance where funds have come to the City where there is either a requirement to explicitly provide interest or the wording implies interest because the funds are to be held in a separate account. Because these funds arise from legislation or agreements with third parties, the City holds these funds in obligatory reserve funds.

a) Statutes

Certain pieces of legislation allow the City to acquire funds but those funds need to be held either in an interest bearing account or in a separate account which implies that interest is to be applied. The *Development Charges Act* and Section #42 of the *Planning Act* – parks levy, for instance, make such a stipulation.

Currently, funds which come to the City as a result of a Section #37 agreement or a Committee of Adjustment decision under Section #45 of the *Planning Act*, are deposited into a variety of accounts which has created an inconsistency in the treatment of funds from different development agreements. One of the consequences of this report will be that it is being recommended that all funds originating from these sources be deposited into the Planning Act Reserve Fund, that all funds currently on hand in whatever account other than an existing capital or operating account be likewise transferred to the Planning Act Reserve Fund and that ‘inflation proofing’ (see Capital Section below) of existing funds so transferred begin at the same time as the effective date of this policy. This will ensure that the all funds acquired from development agreements which have provisions under Section #37/45 of the *Planning Act* are treated in the same way.

To give effect to the above there are a number of activities which need to be sanctioned by Council:

1. The Deputy City Manager and Chief Financial Officer needs to be authorized to establish accounts required with balances on hand within the Planning Act Reserve Funds.
2. Council needs to waive the current requirement for each account to be established within the Planning Act Reserve Funds via a by-law in order to expedite the creation of the necessary accounts as noted in point 1. Otherwise, a further report will be required from the Deputy City Manager and Chief Financial Officer setting out the usual criteria for each and every account.

3. The City Solicitor be given leave to periodically submit bills to amend Municipal Code 227 – Administration of Reserves and Reserve Funds – as future accounts are created in order to include these accounts within the Planning Act Reserve Funds.
4. This report recommends a policy for the Planning Act Reserve Funds, that where an account within the Reserve Funds has a balance that is the lesser of 10% of the original funding or \$10,000 that these funds can be used for a similar purpose within the same ward as the originating development. In the absence of such a policy there are orphan funds sitting in accounts which cannot be used for the intended purposes because the balance is inadequate to be constructively applied for those purposes.
5. The City Solicitor and the Chief Planner and Executive Director, City Planning Division, in consultation with the Deputy City Manager and Chief Financial Officer, will amend the Agreement report template to include wording giving the City authority to exercise the policy enunciated in point 3, as well as to make reference to the authority for the Deputy City Manager and Chief Financial Officer to establish an account within the Planning Act Reserve Funds.

The current practice for the establishment of reserves and reserve funds is that a Council report, which outlines the criteria and specifications deemed necessary by Council (e.g. Appendix C), is written to establish each account. In some situations in the past, this caused two reports to go to Council on the same issue, and so in 2005 (as noted above) Council authorized the Deputy City Manager and Chief Financial Officer to establish accounts if Council had established the purpose and the beneficiary of the account. Further in that report it authorized the Treasurer to establish program accounts within the Land Acquisition Reserve Fund Group under the City's land disposal policy where funds were so acquired but an existing account did not exist. Section #37 agreements are very much like the land acquisition situation in that Council has authorized the agreement, the benefits of the agreement are clearly spelled out in the report recommending adoption of the agreement and in the general operation of the agreement, all agreements are similar. Therefore, it is being recommended that, where the Financial Impact Section is clear and totally specifies the financial benefits of the agreement, the Treasurer be authorized to set up an account within the Planning Act Reserve Funds and establish the 7 criteria required for the administration of the account.

<http://www.toronto.ca/legdocs/2005/agendas/council/cc051026/pof9rpt/cl030.pdf>

b) Contracts

From time to time the City enters into agreements with third parties – other orders of government, developers, etc. where the agreement explicitly requires the City to provide interest or where it explicitly says that the funds should be held in a separate account.

ii) Capital

From time to time the City sets aside funding for future capital projects, the costs for which generally increase over time through inflation. The City has three options for offsetting inflation:

1. additional funding can be added to the Capital Budget in the future once the inflation adjusted cost is known. This puts additional pressure on the capital budget in the year in which expenditures occur, which may lead to higher levels of debt;
2. funds can be set aside in a reserve (non-interest bearing account) annually on the basis of a formula which takes inflation into account as is currently done for the future replacement of city vehicles; or
3. funds can be partially ‘inflation proofed’ through the annual allocation of interest earnings through a reserve fund to help offset future cost increases.

Usually, when discussing inflation, what is referred to is the Consumer Price Index (CPI); however, in the case of construction, Statistics Canada tracks a different measure – Construction Price Index – which tracks the year over year increases in the cost of construction. For the past several years, the Construction Price Index has actually been higher than CPI (for 2006 6.2% versus 1.6%). Over this period, long term interest rates have been between the CPI rate and the Construction Price Index rate (2006 average three month treasury bill rate was 4.03%). Although the construction price index is often higher than the return on the City’s investments, the City can at least partially inflation proof the cost of future capital projects by allocating interest to those capital reserve funds for which an inflation adjustment is not automatically included in annual contributions as is done for vehicles. Because there is still an exposure to future cost increases that exceed interest earnings, there will still be a need to ‘top up’ the funding for capital projects funded from such reserve funds with an allocation of capital funds, e.g. debt or capital from current.

It is recommended that, where the City is holding funds for new capital assets, the funds receive investment earnings. It is further recommended that funds in capital reserve fund accounts be allocated interest earnings at the annual average three month treasury bill rate as at November 30th of each year.

a) New Capital Projects

From time to time the City does not budget for, or have the full funding for, a capital project at the time it is interested in constructing or acquiring some capital asset, so the funding strategy is to accumulate funds over time. Over time, the costs of producing or acquiring capital assets increase through inflation. The City has two options for offsetting inflation:

- 1) additional funding can be added to the Capital Budget in the future once inflation adjusted cost is known. This will put additional pressure on the capital budget in the year in which expenditures occur, which may lead to higher levels of debt; or
- 2) funds can be 'inflation proofed' through the annual allocation of interest earnings through a reserve fund to help offset future cost increases.
Therefore, it is being recommended that where the City is holding funds for new capital assets that the funds receive investment earnings.

b) Capital Maintenance/Replacement

The ideal approach for all capital items needing replacement or major refurbishment would be the vehicle and equipment replacement reserve approach. At the moment the City funds vehicles and major equipment replacement through a combination of reserves and debt financing. The City has some legacy accounts which former municipalities set aside for some capital assets. To the extent that these accounts still exist, it would be prudent to treat them in the same way that is being recommended for new capital projects, namely allocate investment earnings to these accounts which will partially 'inflation proof' them and in so doing inflation proofs a few of the City's capital assets. In the long term the City is working toward a methodology that inflation proofs all capital assets.

iii) Long Term Liabilities

There are certain accounts which have been created to protect the City against future liabilities and for which the liability is growing over time, e.g. employee benefits or insurance. In both these illustrated cases, the proper approach would be to fund the estimated increase in the liability each year as the liability grows. Because of funding constraints, this did not happen in the past and the situation would require excessive infusions of cash to bring the accounts back to proper funding levels if such a practice were to proceed today. By allocating investment earnings to these accounts, the increase in these liabilities can be partially offset. The Deputy City Manager/Chief Financial Officer has reported previously

(employee benefits – Policy and Finance Committee, Report #4, Clause 22, 2005; insurance – Policy and Finance Committee, Report #5, Clause 32, 2005) on a strategy to fund growing liabilities in both of these accounts. Both those strategies recommended that investment earnings would continue to be applied to the accounts.

<http://www.toronto.ca/legdocs/2005/agendas/council/cc050412/pof4rpt/cl022.pdf>
<http://www.toronto.ca/legdocs/2005/agendas/council/cc050517/pof5rpt/cl032.pdf>

iv) Endowments

An endowment arises where funds are set aside with the intent of only using the earnings from investment for the intended purpose. The City has two mechanisms to support such endeavours – trust funds or reserve funds. Trust funds are funds set aside in a separate account, trusted by a third party. A reserve fund can serve the same purpose without the additional administration and expense of a trustee governed account. Since the intent of such accounts is to preserve the principle (initial investment) and spend the earnings, then in order to use reserve fund accounts for this purpose they must receive some allocation from the investment earnings.

Application of the Recommended Principles to Existing Reserves and Reserve Funds

Donation Reserve Funds

In the past, when Council has authorized a fund raising effort by the public in support of a facility that will eventually be owned, managed and maintained by the City, Council has adopted a report which includes establishing an obligatory reserve fund within the Donations Reserve Funds account. However, two conditions generally exist for these efforts. The first is that the fund raising target is set at a value which is the current estimate to create the object for which fund raising is being proposed. Second, the capital component of these projects is to be at no cost to the City. To be consistent with the concepts that the target is the actual cost of the object and that the object should be at no cost to the City, then there is no need to ‘inflation proof’ the object from the City’s perspective and hence no reason to divert investment earnings to these accounts. Therefore, it is being recommended that the Donations Reserve Funds be transferred to a reserve.

Recommended Classification Changes

Consequences:

If the above principles are applied to the City’s existing reserves and reserve funds, the following reserve funds would become reserves and therefore cease to share in investment earnings:

Table #1
Accounts Transferring from Reserve Funds to Reserves

| Accounts Transferring from Reserve Funds | Transferring to Reserve Schedule |
|---|---|
| Discretionary Reserve Funds | |
| Stabilization - All | Stabilization |
| Corporate | |
| • Arbitration and Legal Awards | Corporate |
| • Capital Financing | Corporate |
| • Emergency Planning | Corporate |
| • Utility Conservation/Retrofit | Corporate |
| Community Initiatives | |
| • Termite Control | Community Initiatives |
| Obligatory Reserve Funds | |
| Donations - All | Donations |

Administrative Issues with regard to the Policy

Allocation of Investment Earnings

Since amalgamation there has not been a formal review of the basis for the allocation of the investment earnings between the Operating Budget and reserve funds. Below is a discussion of the (1) current practices, (2) a recommended priority order for allocation of investment earnings and (3) recommended criteria for the allocation of investment earnings to reserve funds.

1. Current Practices

Investment earnings result from a combination of interest earned on investment instruments –deposits, general investment certificates, treasury bills, etc. - and capital gains resulting from the selling of securities. Revenues that the City receives and surplus funds which the City holds are recorded and reported on by the Accounting System in separate accounts either within the general fund, capital fund or reserve funds. For investment purposes, the City does not distinguish between monies held in reserve accounts, day to day cashflow and other non-specified funds available for investment. Although the accounting system distributes these funds into various accounts, all the funds are aggregated for investments purposes. The return on these investments is then distributed monthly to the various accounts eligible for funding within the accounting system when this income is received.

Investment earnings are allocated monthly to reserve funds based on returns of the entire investment portfolio and the residual is assigned to Non-Program revenues in the Operating Budget. The only account for which there is a budget is the Non-Program revenue account.

2. Recommended Methodology for Allocation of Investment Earnings

It is being recommended that investment earnings be allocated in the following priority order:

- a) Cost of the investment function
- b) Reserve Funds as revised by this report
- c) Non-Program revenue from investment earnings in the Operating Budget.

a) Cost of the Investment Function

Currently, the tax supported budget is effectively subsidizing the reserve funds since the Non-Program debt service account is charged the expense associated with the investing function and none of these expenses are charged against investment earnings. It is recommended that the cost of the investment function (approximately \$550 thousand annually) be netted against overall investment earnings before the allocation of net earnings to reserve funds and the operating budget.

b) Reserve Funds

The next call on investment earnings would be those accounts which were deemed by this report to be reserve funds. The calculation of the amount to be assigned to each account would be the 3 month treasury bill rate as estimated at the time of the preparation of the annual operating budget credited on November 30th of each year based on the account's average balance.

c) Operating Budget

The 2007 Operating Budget included Non-Program Investment Earnings revenue of \$67 million. The current practice is that during the operating budget approval process a revenue budget is set in the Non-Program accounts which reflects an estimate of investment earnings over and above the earnings that will be allocated to reserve funds. It is being recommended that the residual of investment earnings be credited to the Non-Program revenue – investment earnings as is the current practice.

3. Reorganization of Municipal Code Chapter 227

To accommodate the changes noted above, Municipal Code Chapter 227 must be reorganized into a new Chapter 227 as per Table #2 replacing the existing Chapter as noted in a new schedule of accounts. Appendix B1 contains an index comparing the reserves and reserve funds between the old and new Chapter to facilitate tracing the change of accounts as recommended in this report. Appendix B2 and B3 contain a consolidated reserve and reserve funds listing per the revised Chapter 227.

Other Administrative Issues

Reserves and reserve funds form an integral part of sound financial management and planning whereby revenues from one period can be set aside to accumulate and finance planned expenditures in a future period. So, the ultimate control of funds should lie with the Treasurer and the Deputy City Manager/Chief Financial Officer as part of their responsibilities in managing the City’s finances. Reinforcing that the control of the funds is with the Treasurer does not change the fact that Council has set aside these funds for specific purposes. Therefore, it is being recommended that the controller (owner) of all reserve and reserve funds for administrative purposes be the City Treasurer (see Table #2).

**Table #2
Consolidated Reserves/Reserve Funds**

| Reserves | Purpose | Schedule |
|--|--|-----------------|
| Corporate Reserves | Provides funding for capital and operating items of a corporate nature. | 1 |
| Toronto Water Reserves | Provides funding for Water and Wastewater financial pressures | 2 |
| Stabilization Reserves | Provides funding to stabilize the City's budgets from year to year due to various unanticipated financial pressures. | 3 |
| Community Initiatives Reserves | Provides funding for variety of grant programs | 4 |
| Donations Reserves | Provides funding from donations for various projects | 5 |
| | | |
| Reserve Funds – Discretionary | | |
| Employee Benefits Reserve Funds | Provides funding for the benefit costs of employees and retirees. | 6 |
| Corporate Discretionary Reserve Funds | Provides funding for capital and operating items of a corporate nature. | 7 |
| State Of Good Repair Discretionary Reserve Funds | Provides funding for the rehabilitation and major repairs of City assets | 8 |
| Community Initiatives Reserve Funds | Provides funding for variety of grants programs | 9 |
| | | |

| Reserves | Purpose | Schedule |
|--|---|-----------------|
| Reserve Funds – Obligatory | | |
| Parkland Acquisition / New Development Reserve Funds | Provides funding for the acquisition of parkland or for other public recreational purposes, including the erection or repair of buildings and the acquisition of machinery for park or other recreational purposes. | 10 |
| Development Charges Reserve Funds | Provides funding from development charges to be used for designated services | 11 |
| Planning Act Reserve Funds | To hold and dispense funds collected under Section #37 and #45 of the Planning Act | 12 |
| Community Services Obligatory Reserve Funds | Provides funding for variety of Community Services activities. | 13 |
| State Of Good Repair Obligatory Reserve Funds | Provides funding for a variety of state of repair situations. | 14 |
| Third Party Agreements Reserve Funds | Provides for activities as the consequence of third part agreements. | 15 |
| Water/Wastewater Reserve Funds | Provides funding for Water and Wastewater capital projects. | 16 |
| Parking Authority Reserve Funds | Provides funding for Parking Authority activities. | 17 |

Additional Technical Amendments to Previously Approved Accounts

Soccer Stadium Capital Maintenance Reserve Fund

Council, at its meeting held on October 26, 27, 28 and 31, 2005, adopted Clause No. 36 of Report No. 9 of the Policy and Finance Committee entitled ‘Soccer Stadium at Exhibition Place’. The report, as part of the conditions of the business agreement between the City, the Board of Governors of Exhibition Place and Maple Leaf Sports and Entertainment, recommended that an annual contribution of \$400,000 (increased by CPI annually from Year Six onward) from the stadium revenues be held by the City in a capital reserve account. The purpose of this account is for capital expenditures (i.e.

capital expenditures, as defined as per GAAP) for the soccer stadium at Exhibition Place. Therefore it is being recommended that such an account be established and the requirements for that account are described in Appendix #C1.

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SIGNATURE

Joseph P. Pennachetti
Deputy City Manager and Chief Financial Officer

ATTACHMENTS

- Appendix “A” - Policy on the Allocation of Investment Earnings to Reserve Accounts
- Appendix “B” - Schedules - Reserve and Reserve Funds
 - B1 - Cross – over table between old and new Chapter 227
 - B2 - Consolidated Reserves and Discretionary Reserve Funds
 - B3 - Classes of Obligatory Reserve Funds
 - B4 – Accounts To be Spent and Closed
- Appendix “C” - Soccer Stadium Capital Maintenance Reserve Fund criteria

APPENDIX A

Policy On The Allocation Of Investment Earnings To Reserve Accounts

Purpose:

To determine which funds held by the City ought to be reserve funds and therefore would be entitled to a share of the City's investment earnings.

Eligibility Rules:

To be eligible for a share of the City's investment earnings the account must hold funds for one of the following purposes:

- (a) where there is a mandatory obligation to provide interest because of legislation or an agreement,
- (b) where a capital asset is to be acquired or maintained (other than through donated funds),
- (c) where a future liability is increasing over time, and/or
- (d) where the intent of the reserve fund is to create an endowment

Determination of Quantum of Earnings:

The amount to be assigned to each account would be the 3 month treasury bill rate as estimated at the time of the preparation of the annual operating budget credited on November 30th of each year based on the account's average balance.

Application of Investment Earnings:

Investment earnings to be allocated on the basis of the following priority:

- (a) Cost of the investment function incurred by the Capital Markets Section,
- (b) Obligatory and Discretionary Reserve Funds as revised by this report, and
- (c) Non-Program revenue – investment earning - in the Operating Budget;

APPENDIX B

New Schedules for New Municipal Code

- Appendix B1 - Index and Cross Reference to Schedules Between Old and Amended Code
- Appendix B2 - Consolidated Reserve and Reserve Funds Purposes and Beneficiaries
- Schedule # 1 – Corporate Reserves
 - Schedule # 2 – Toronto Water Reserves
 - Schedule # 3 – Stabilization Reserves
 - Schedule # 4 – Community Initiative Reserves
 - Schedule # 5 – Donations Reserve Funds
 - Schedule # 6 – Employee Benefits Reserve Funds
 - Schedule # 7 – Corporate Discretionary Reserve Funds
 - Schedule # 8 – State of Good Repair Discretionary Reserve Funds
 - Schedule # 9 – Community Initiatives R. Funds
- Appendix B3 - Classes of Obligatory Reserve and Reserve Funds Purposes and Beneficiaries
- Schedule #10 – Parklands Acquisit./New Dev. R.F.
 - Schedule #11 – Development Charges R. Funds
 - Schedule #12 – Planning Act Reserve Funds
 - Schedule #13 – Community Services Obligatory Reserve Funds
 - Schedule #14 – State of Good Repair Obligatory Reserve Funds
 - Schedule #15 – Third Party Agreements Reserve Funds
 - Schedule #16 – Toronto Water Reserve Funds
 - Schedule #17 – Parking Authority Reserve Funds
- Appendix B4 - Transferred and Closed

APPENDIX B1

Index and Cross Reference to Schedules Between Old Municipal Code versus New Code

| Name * | Old Municipal Code * | New Municipal Code * |
|---|----------------------|----------------------|
| <u>Reserve</u> | | |
| All Borough Mortgage Loan | #3 | # 1 |
| Arbitration and Legal Awards | #3 | #1 |
| Building Permit Service Delivery | #1 | #1 |
| Capital Financing | #3 | #1 |
| Contingency Appeals | #1 | #1 |
| Council Severance Cost | #1 | #1 |
| Division # 43 City Capital | #3 | #D |
| Efficiency Incentive Fund | #3 | #1 |
| Emergency Planning | #3 | #1 |
| Exhibition Place Stabilization(Metro) | #4 | #3 |
| Hummingbird Centre Stabilization | #4 | #3 |
| Hydro Stabilization | #4 | #3 |
| Information & Technology Stabilization | #4 | #3 |
| North York Performing Arts Centre Stabilization | #4 | #3 |
| Government Relations | #1 | #1 |
| Information & Technology | #4 | #3 |
| Land Acquisition for Source Water Protection | 11 | #2 |
| Social Housing Stabilization | #4 | #3 |
| Social Assistance Stabilization | #4 | #3 |
| Police Step Rate Stabilization | D | D |
| Sewer and Water Capital Projects (East York) | D | D |
| Tax Rate Stabilization | #4 | #3 |
| TTC Stabilization | #4 | #3 |
| Telecommunications Development | #3 | #1 |
| Termite Control (York) | #6 | #4 |
| Utility Conservation/Retrofit | #3 | #1 |
| Vehicle and Equipment Replacement | #1 | #1 |
| Vehicle and Equipment Replacement - Water/Waste Water | #11 | #2 |
| Waste Water Stabilization | #11 | #2 |
| Water Stabilization | #11 | #2 |
| Water Pollution Control Replacement and Repair | D | D |
| Water Rate Stabilization (Metro) | D | D |
| Water Rate Stabilization (Toronto) | D | D |
| Water Works Capital Financing Stabilization (Metro) | D | D |
| Water Works Exchange Stabilization | D | D |

| Index and Cross Reference to Schedules Between Old Municipal Code versus New Code - Continued | | |
|--|---------------------------------|---------------------------------|
| Name | Old Municipal Code * | New Municipal Code * |
| Water Works Replacement and Repair (Metro) | D | D |
| Winter Control Stabilization | #4 | #3 |
| Working Capital | #1 | #1 |
| Working Fund Water (York) | D | D |
| Zoo Stabilization | #4 | #4 |
| Reserve Funds | | |
| 12 Alexander Street Theatre Project | #14 | #15 |
| 16 Ryerson (Theatre Passe Muraille) capital Maintenance | New | #14 |
| 200th Birthday (York) | D | D |
| 5% & 2 % Land Acquisition – North York-Pre 1999 | #7 | 10 |
| Allan Gardens Revitalization | #9 | #5 |
| Animal Transaction | #3 | #7 |
| Asbridges Bay Treatment Plant Skateboard Park | New | #5 |
| Art Acquisition (Etobicoke) | D | D |
| Art Acquisition (North York) | D | D |
| Art Collection | #9 | #12 |
| Awards Program (Etobicoke) | A | D |
| Balfour Park Improvement | New | 5 |
| Better Buildings Partnership(BBP) Loan Repayment | #14 | #15 |
| Bicentennial Celebrations(Toronto) | D | D |
| Bill Code Act Service Improvement | New | #14 |
| Bloor Street Transformation | #10 | #13 |
| Building Maintenance | #5 | #D |
| Campeau Dock Maintenance | #13 | #14 |
| Canada Strategic Infrastructure | New | #15 |
| Capital Leverage Homeless Initiatives | #6 | #D |
| Capital Levy | D | D |
| Capital Levy (Scarborough) | D | D |
| Capital Revolving Fund for Affordable Housing | #6 | #9 |
| Casa Loma Capital Maintenance | #5 | #8 |
| Central Laundry Equipment Replacement | D | D |
| Child Care Capital Cost | #6 | #9 |
| Child Care Expansion/Pilot Project | #6 | #9 |
| Chinese Archway | #9 | # 5 |
| City Parking | #14 | #15 |
| City Parking Payment-in-lieu | #16 | #17 |
| Client Identification and Benefits System | #12 | #13 |
| CNEA Vested (CNE Prize Guarantee) | #6 | #D |
| Commercial Façade Improvement | #6 | #9 |
| Community Grants (York) | A | D |

**Index and Cross Reference to Schedules
Between Old Municipal Code versus New Code - Continued**

| Name * | Old Municipal Code * | New Municipal Code * |
|---|----------------------|----------------------|
| Reserve Fund | | |
| Community Heritage (Toronto) | #6 | #9 |
| Community Partnership (York) | A | D |
| Cultural Facilities Capital Grant | #6 | #9 |
| Davenport Road Community Centre | A | D |
| Davisville/June Rowlands Park | #10 | #12 |
| Design Exchange | #14 | #15 |
| Design Exchange Capital Maintenance | New | #15 |
| Development Charges - Development Related Studies | #8 | #11 |
| Development Charges – Etobicoke | #8 | #11 |
| Development Charges – Fire | #8 | #11 |
| Development Charges – Libraries | #8 | #11 |
| Development Charges - North York | #8 | #11 |
| Development Charges - Parks & Recreation | #8 | #11 |
| Development Charges – Roads | #8 | #11 |
| Development Charges - Sanitary Sewage | #8 | #11 |
| Development Charges – Scarborough | #8 | #11 |
| Development Charges – Transit | #8 | #11 |
| Development Charges - Water Works | #8 | #11 |
| Development Charges – York | #8 | #11 |
| Development Charges SPUC – Water | #8 | #11 |
| Development Charges – Childcare | #8 | #11 |
| Development Charges – Emergency Medical Services | #8 | #11 |
| Development Charges – Police | #8 | #11 |
| Development Charges – Shelters & Housing | #8 | #11 |
| Development Charges – Stormwater Management | #8 | #11 |
| Development Charges – Urban Dev. Services | #8 | #11 |
| Division # 43 City Capital | #3 | #D |
| Don River Park | New | #8 |
| Don Valley Brick Works | #9 | #5 |
| Dundas Street West Streetscape Improvement | #10 | #13 |
| Earl Bales Bandshell | #9 | #5 |
| East of Bay & Vicinity Parks | #10 | #13 |
| East York Curling Parks Capital Maintenance | A | D |
| Eastview Neighbourhood Community Centre | #3 | #7 |
| Eglinton Flats Tennis Facility Maintenance | 14 | #15 |
| Election | #3 | #7 |
| Emergency Technology Acquisition | #3 | #1 |
| Employee/Retiree Benefit | #2 | #6 |
| Endowment for Programming at Toronto Music Garden | New | #7 |

| Index and Cross Reference to Schedules Between Old Municipal Code versus New Code - Continued | | |
|--|-----------------------------|-----------------------------|
| Name * | Old Municipal Code * | New Municipal Code * |
| Reserve Fund | | |
| Environmental Liability | #3 | #7 |
| Enwave District Energy Reserve Fund | #3 | #7 |
| Etobicoke Public Art Program | #6 | #9 |
| Exhibition Place Conference Centre | New | #15 |
| Exhibition Place Capital Improvement | #5 | #8 |
| Homes for the Aged Stabilization | #4 | #3 |
| Garden Of Hope | #9 | #5 |
| Golden Mile Employ. District Transport. System Improvement Charge | #14 | #15 |
| Gordon Sinclair Scholarship | #6 | #9 |
| Guild Inn | A | A |
| Harbourfront Parklands | #13 | #14 |
| Heritage (North York) | #6 | #9 |
| High-Level Pumping Station Park | #9 | #5 |
| Historical Museum(Scarborough) | #9 | #5 |
| Home Improvement | #6 | #9 |
| Homes for the Aged | #12 | #13 |
| <i>Housing Property Title Normalization</i> | #3 | D |
| Hummingbird Centre Capital Improvement | #13 | #14 |
| Hummingbird Donation | #12 | #12 |
| Infrastructure (Toronto) | A | A |
| Innovation Account | New | 7 |
| Insurance | #3 | #7 |
| International Office | A | D |
| Ireland Park | New | #15 |
| Jarvis Street Corridor | #10 | #13 |
| Jewish War Memorial Maintenance and Operation | New | 15 |
| June Callwood Park | New | #5 |
| Ireland Park | New | #16 |
| Keele/Weston Food Sector | A | D |
| Kew Gardens Playground | #9 | #12 |
| Kids @ Computers Scholarship Project | #12 | #13 |
| Land Acquisition | #3 | #7 |
| Lakeshore Lions Arena | New | 15 |
| Leaside Memorial Gardens Parking Lot Repair | A | D |
| Light Emitting Diode (LED) | New | #7 |
| Marilyn Bell Park BMX Racetrack & Extreme Sports Facility | New | #5 |

**Index and Cross Reference to Schedules
Between Old Municipal Code versus New Code - Continued**

| Name * | Old Municipal Code * | New Municipal Code * |
|---|----------------------|----------------------|
| Reserve Fund | | |
| Marketing Campaign (North York) | D | D |
| Mayor's Homelessness Initiatives | #6 | #9 |
| Montgomery's Inn Building Maintenance | A | D |
| Municipal Code | A | D |
| Museum and Heritage Services | #3 | #7 |
| Museum Donation | #9 | #5 |
| National Child Benefit Support | #12 | #13 |
| Neighbourhood Watch Sign | A | D |
| Neshama Playground | New | # 5 |
| North Rosedale | New | #5 |
| North York Hydro-Electric Commission | D | D |
| North York Performing Arts Centre Capital Maintenance | #13 | #14 |
| One on One Mentoring | #9 | #5 |
| Ontario Works | #12 | #13 |
| Ontario Bus Replacement Program | New | #15 |
| Ontario Rolling Stock Infrastructure | New | #15 |
| Otter Loop Park Improvement | New | #5 |
| Palace Pier Park Development | A | D |
| Parking Authority Capital Expenditure | #16 | #17 |
| Parking Authority Shopping Mall Rented Properties | #16 | #17 |
| Parkland Acquisition – City Wide/Land Acquisition (East York) | #7 | #10 |
| Parkland Acquisition – City Wide/Land Acquisition (Etobicoke) | #7 | #10 |
| Parkland Acquisition – City Wide/Land Acquisition (North York) | #7 | #10 |
| Parkland Acquisition – City Wide/Land Acquisition (Scarborough) | #7 | #10 |
| Parkland Acquisition – City Wide/Land Acquisition (Toronto) | #7 | #10 |
| Parkland Acquisition – City Wide/Land Acquisition (York) | #7 | #10 |
| Parkland Acquisition – City Wide/New Development (East York) | #7 | #10 |
| Parkland Acquisition – City Wide/New Development (Etobicoke) | #7 | #10 |
| Parkland Acquisition – City Wide/New Development (North York) | #7 | #10 |
| Parkland Acquisition – City Wide/New Development (Scarborough) | #7 | #10 |

**Index and Cross Reference to Schedules
Between Old Municipal Code versus New Code - Continued**

| Name * | Old Municipal Code * | New Municipal Code * |
|--|----------------------|----------------------|
| Reserve Fund | | |
| Parkland Acquisition – City Wide/New Development (Toronto) | #7 | #10 |
| Parkland Acquisition – City Wide/New Development (York) | #7 | #10 |
| Parkland Acquisition – East District – Local Land | #7 | #10 |
| Parkland Acquisition – East District – Local Development | #7 | #10 |
| Parkland Acquisition – West District – Local Land | #7 | #10 |
| Parkland Acquisition – West District – Local Development | #7 | #10 |
| Parkland Acquisition – South District – Local Land | #7 | #10 |
| Parkland Acquisition – South District – Local Development | #7 | #10 |
| Parkland Acquisition – North District – Local Land | #7 | #10 |
| Parkland Acquisition – North District – Local Development | #7 | #10 |
| Parkland Acquisition – Land Acquisition (East York) | #7 | #10 |
| Parkland Acquisition – Land Acquisition (Etobicoke) | #7 | #10 |
| Parkland Acquisition – Land Acquisition (North York) | #7 | #10 |
| Parkland Acquisition – Land Acquisition (Scarborough) | #7 | #10 |
| Parkland Acquisition – Land Acquisition (Toronto) | #7 | #10 |
| Parkland Acquisition – Land Acquisition (York) | #7 | #10 |
| Parkland Acquisition – New Development (East York) | #7 | #10 |
| Parkland Acquisition – New Development (Etobicoke) | #7 | #10 |
| Parkland Acquisition – New Development (North York) | #7 | #10 |
| Parkland Acquisition – New Development (Scarborough) | #7 | #10 |
| Parkland Acquisition – New Development (Toronto) | #7 | #10 |
| Parkland Acquisition – New Development (York) | #7 | #10 |
| Parkland Acquisition - Pre 1999 (East York) | #7 | #10 |
| Parkland Acquisition - Pre 1999 (Etobicoke) | #7 | #10 |
| Parkland Acquisition - Pre 1999 (Metro) | #7 | #10 |
| Parkland Acquisition - Pre 1999 (North York) | #7 | #10 |
| Parkland Acquisition - Pre 1999 (Scarborough) | #7 | #10 |
| Parkland Acquisition - Pre 1999 (Toronto) | #7 | #10 |
| Parkland Acquisition - Pre 1999 (York) | D | D |
| Parkland Acquisition-City Wide/Land Acquisition(Etobicoke) | #7 | #10 |
| Parkland Acquisition-City Wide/Land Acquisition(York) | #7 | #10 |
| Parkland Acquisition-City Wide/New Development (Etobicoke) | #7 | #10 |
| Parkland Acquisition-City Wide/New Development(York) | #7 | #10 |
| Police Central Sick Pay | #2 | #6 |
| Police Museum | #9 | #5 |
| Police OMERS Type 3 | #14 | #15 |

| Index and Cross Reference to Schedules Between Old Municipal Code versus New Code - Continued | | |
|--|---------------------------------|---------------------------------|
| Name * | Old Municipal Code * | New Municipal Code * |
| Reserve Fund | | |
| Policy Salary Adjustment | D | D |
| Productivity Improvement | #2 | #D |
| Provincial Gas Tax Revenue for Public Transit | #14 | #15 |
| Provincial Offences Courts Stabilization | #4 | #4 |
| Public Access Defibrillation | #9 | #5 |
| Public Arts (Metro) | #9 | #5 |
| Public Health Efficiency | #3 | #7 |
| Public Realm | New | #8 |
| Public Parking - 109 Front Street | #10 | #13 |
| Public Transit Capital | New | #15 |
| Racquet Sport(Scarborough) | #13 | #14 |
| Rapid Transit Expansion Program | D | D |
| Regent Park Community Centre | A | D |
| Regent Park Residents' Association | #13 | #14 |
| Ridley Road Maintenance | #13 | #14 |
| Rink Board Advertising (North York) | A | D |
| Road and Sidewalk Repair, Maintenance and Reconstruction | #5 | #8 |
| Road Enhancement | #5 | #8 |
| Stadium Road Capital | New | #14 |
| Stadium Road Maintenance | New | #14 |
| Scarborough Civic Centre Expansion | #5 | #8 |
| Scarborough Public Utilities Commission Development Charges | D | D |
| Sewage Impost (North York) | D | D |
| Sewer & Water Impost (Etobicoke) | D | D |
| Sewer and Water Projects (East York) | D | D |
| Sewer Capital (York) | D | D |
| Sheppard Subway Projects | D | D |
| Sick Leave | #2 | #6 |
| Ski Equipment (North York) | A | D |
| Sky Dome Stadium Public Art | A | D |
| Social Housing Federal | #12 | #13 |
| Solid Waste Management Perpetual Care | #5 | #8 |
| Solid Waste Management Reserve Fund Group | New | #8 |
| Green Lane Account | New | #8 |
| Green Lane Perpetual Care Account | New | #8 |
| Soccer Stadium Capital Maintenance | New | #15 |
| Soyapango | A | D |
| Special Events (Metro) | D | D |

**Index and Cross Reference to Schedules
Between Old Municipal Code versus New Code – Continued**

| Name * | Old Municipal Code * | New Municipal Code * |
|---|----------------------|----------------------|
| Reserve Fund | | |
| Special Events and Festivals (York) | D | D |
| St. Lawrence Centre For the Arts | #3 | #7 |
| Stadium Road Capital | New | #15 |
| Stadium Road Maintenance | New | #15 |
| Strategic Infrastructure Partnership | New | 7 |
| Subdividers' Deposits | #14 | #15 |
| TEDCO Environmental Remediation | #13 | #14 |
| Taddle Creek Park | #9 | #5 |
| Tam Heather | #13 | #14 |
| Toronto Fire Services Public Education | #9 | #5 |
| Toronto Public Library Capital Projects | #5 | #8 |
| Tourism Event Development | A | D |
| Transit Technology Infrastructure Program | New | #15 |
| TTC Capital Subsidy | D | D |
| Twinning Cities | A | D |
| Union Station | #5 | #8 |
| Village of Yorkville Park | D | D |
| Wabash Community Centre Project | #9 | #5 |
| Ward 23 Parks and Recreation Improvement | #14 | #15 |
| Ward 32 Woodbine Beach Park | New | #5 |
| Ward 37 Skateboard Park | New | #5 |
| Waste Management | #5 | #8 |
| Waste Water Capital | #15 | #16 |
| Water and Sewer Capital(Toronto) | D | D |
| Water Capital | #15 | #16 |
| Water Capital (York) | D | D |
| Water Efficiency Loan | New | #16 |
| Water Pollution Control Capital Expenditure (Metro) | D | D |
| Wheel-Tran Vehicle Replacement | #1 | #1 |
| Withrow Park Improvement | New | #5 |
| Winchester Square Capital Facilities Recreation | New | #13 |
| Workers' Compensation | #2 | #6 |
| Workforce Reduction | #2 | #6 |
| WWII 50th Anniversary Memorial, Other Memorials & Monuments | A | A |
| World War II Memorial Maintenance | #9 | #5 |
| Wychwood Car Barns | New | #13 |
| Yonge Street Service Road | A | A |

**Index and Cross Reference to Schedules
Between Old Municipal Code versus New Code – Continued**

| Name * | Old Municipal Code * | New Municipal Code * |
|----------------------------|---------------------------------|---------------------------------|
| <u>Reserve Fund</u> | | |
| Zoo Endangered Species | #9 | 5 |

* A Account to be spent and then closed
 New - created since last clean up report and
 D - deleted by Council either previously or in this report

APPENDIX B2– Schedule #1

Corporate Reserves

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|---|-----------------------------|----------------------------|--|
| All Borough Mortgage Loan | 0.0 | Deputy City Manager/CFO | Provides a temporary fund for reserve fund revenues pending the collection of a mortgage loan. |
| Arbitration and Legal Awards | 3,544.7 | Deputy City Manager/CFO | Provides funding for the costs of arbitration, awards and legal claims. |
| Vehicle and Equipment Replacement Group | 132,709.3 | Fleet Services | Provides funding to purchase or acquire any vehicles or equipment for programs and agencies, boards and commissions, with the exception of the Toronto Transit Commission. Funding promotes efficiencies and provides budget stabilization by moderating large fluctuations in annual replacement of vehicles and equipment. |
| <i>Shelter, Support & Housing Admin. HFA Public Health Facilities & Real Estate Fleet Services Clerks – Vehicle Human Resources Legal Council Mayor's Office Treasurer Economic Dev. & Culture Parks, Forestry & Recreation Building City Planning Business Support Serv. Municipal Licensing & Standards Solid Waste Transportation Tech Services Support Services Fire-Vehicle E.M.S.-Vehicle Library Police Exhibition Place Zoo Arena Boards Wheel-Trans Vehicle Insurance Top Up Clerks-Equipment IT-Equipment E.M.S.-Equipment Fire-Equipment Solid Waste – Eq.</i> | | | |

Corporate Reserves – Continued

| Name | Balance * <small>As At 12/31/07</small> | Beneficiary Program | Purpose |
|-------------------------------------|--|--------------------------|--|
| Building Permit Service Delivery | 0.0 | Building | Provides funding generated by building permit fees collected during 2003 that will be used to finance building permit service improvement in 2004 & 2005 |
| Capital Financing | 65,710.7 | Deputy City Manager/CFO | Provides funding for capital expenditures. |
| Contingency Appeals | 629.8 | Court Services | Provides funding to be used for refunds for appeals. |
| Emergency Technology Acquisition ** | 0.0 | IT | Provides funding for the internal leasing of technology acquisitions. |
| Council Severance Cost | 175.0 | Deputy City Manager/CFO | Provides account to be used to fund future severance costs for members of Council and their staff. |
| Emergency Planning | 5,116.4 | Technical Services | Provides funding to support the City's ability to deter threats from terrorism and to respond to emergencies brought about by terrorism and other catastrophes. |
| Government Relations | 0.0 | Clerks | Provides funding to advance the City's provincial agenda. |
| Telecommunications Development | 225.8 | Transportation | Provides funding for initiatives that further develop the City's strategy with respect to telecommunications matters. |
| Utility Conservation and Retrofit | 361.0 | Facilities & Real Estate | Provides funding for short falls in energy budgets in 2002 and permits its use as a revolving loan fund to finance approved retrofit capital projects, to be repaid from program operating budgets as facilitated by energy savings. |
| Working Capital | 79,395.4 | Deputy City Manager/CFO | Provides funding to stabilize the City's budgets from year to year due to various unanticipated financial pressures. |
| Total Balance | <u><u>287,868.0</u></u> | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$,000

** Funds to be transferred to Capital Financing Reserve and closed as per Appendix B4

APPENDIX B2 – Schedule # 2

Toronto Water Reserves

| Name | Balance * <small>As At 12/31/07</small> | Beneficiary Program | Purpose |
|---|---|--------------------------------|--|
| Land Acquisition For Source Water Protection | 0.00 | Toronto Water | Provides funding for the acquisition of land to protect water sources. |
| Vehicle and Equipment Replacement – Water/Waste Water | 9,100.0 | Toronto Water | Provides funding to purchase or acquire any vehicles or equipment for Water/Waste Water. Funding promotes efficiencies and provides budget stabilization by moderating large fluctuations in the annual replacement of vehicles and equipment. |
| Waste Water Stabilization | 27,200.7 | Toronto Water | Provides funding to stabilize each year the net expenditures for Waste Water Supply requirements and funding for capital projects. |
| Water Stabilization | (14,963.6) | Toronto Water | Provides funding to stabilize each year the net expenditures for Water Supply requirements and funding for capital projects. |
| Total Balance | <u>21,337.2</u> | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008, in \$,000

APPENDIX B2– Schedule # 3

Stabilization Reserves

| Name | Balance * <small>As At 12/31/07</small> | Beneficiary Program | Purpose |
|---|--|---------------------------------|---|
| Exhibition Place Stabilization (Metro) | 0.0 | Exhibition Place | Provides funding to stabilize Exhibition Place operations. |
| Home for the Aged Stabilization | 4,876.0 | HFA | Provides funding for a hedge against future fluctuations in provincial subsidies and revenues and thereby help improve the City's capacity to plan operationally and financially in the future. |
| Hummingbird Centre Stabilization | 181.2 | Hummingbird Centre | Provides funding for assisting The Board of Directors of the Hummingbird Centre for the Performing Arts to operate effectively as a business, together with the goal of reducing, over time, its dependency on the City's funding. |
| Hydro Stabilization | 0.0 | Deputy City Manager/CFO | Provides funding for any unanticipated fluctuations in electricity costs. |
| Information & Technology Stabilization | 0.0 | IT | Provides capital funding for the purchase of Information & Technology equipment. |
| North York Performing Arts Centre Stabilization | 2,774.7 | NYPAC | Provides funding to finance the North York Performing Arts Centre's Operating deficits. |
| Provincial Offences Courts Stabilization | 11,843.3 | Court Services | Provides funding for 2001 pre-transfer start-up operating and capital costs to set up the required new or augmented facilities and information systems for the POA. For subsequent budget years, this reserve fund will provide capital funding for Provincial Offences Court requirements, to avoid the issuance of new debt. |
| Social Assistance Stabilization | 31,807.1 | Social Services | Provides funding to stabilize social assistance costs resulting from changes in caseload. |
| Social Housing Stabilization | 30,458.0 | Shelter, Support & Housing Adm. | <p>Provides funding to mitigate the financial exposure associated with Social Housing Devolution, including the following purposes:</p> <ol style="list-style-type: none"> 1. For stabilization of in-year variances as well as unanticipated year-to-year expenditure fluctuations, to help minimize or phase in their impacts on the property tax rate; 2. To supplement funds for capital repairs, in regard to urgent needs or phase-in toward higher funding levels; and 3. To fund other potential liabilities as they arises. |

Stabilization Reserves - Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|------------------------------|-----------------------------|----------------------------|--|
| Tax Rate Stabilization | 0.0 | Deputy City Manager/CFO | Provides funding for the purpose of funding any operating deficit. Funds come from operating surplus. |
| TTC Stabilization | 24,666.4 | TTC | Provides funding to stabilize TTC operation. |
| Winter Control Stabilization | 12,034.0 | Transportation | Provides funding for unbudgeted snow removal operating costs and to smooth the operating expenditures from year to year. |
| Zoo Stabilization | 329.7 | Zoo | Provides funding to enable fiscal stabilization for the Toronto Zoo, for example, to permit investment in revenue generating initiatives, to prepare for special events in advance of a budget year, to offset Zoo revenue shortfalls. Funding shall not be used to offset losses resulting from a labour dispute. |
| Total Balance | <u>118,970.3</u> | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$,000

APPENDIX B2– Schedule # 4
Community Initiatives Reserves

| Name | Balance * <i>As At 12/31/07</i> | Beneficiary Program | Purpose |
|-----------------|---|--------------------------------------|---|
| Termite Control | 22.7 | Shelter, Support & Housing Adm. | Provides funding for the provision of grants to homeowners with termite problems. |
| Total Balance | <u>22.7</u> | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$,000

APPENDIX B2– Schedule # 5

Donations Reserves

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|---|-----------------------------|------------------------------|--|
| Allan Gardens Revitalization | 27.8 | Parks, Forestry & Recreation | Provides funding for, but not limited to, the planning, design, and revitalization of Allan Gardens. |
| Art Collection | 16.5 | Economic Dev & Culture | Provides funding for the acquisition of art for the City of Toronto art collection. |
| Asbridges Bay Treatment Plant Skateboard Park | 0.7 | Parks, Forestry & Recreation | Provides funding for the planning, design and development of additional Phases of the Skateboard Park. |
| Balfour Park Improvements | 62.4 | Parks, Forestry & Recreation | Provides account to receive donations for the park and to provide funds for the planned park enhancements including a reservoir-top garden. |
| Chinese Archway | 274.2 | Economic Dev & Culture | Provides funding for the construction and maintenance of Phase Two of the Chinese Archway structure at Gerrard Street East at Hamilton Street. |
| Don Valley Brick Works | 0.0 | Economic Dev & Culture | Provides funding for civic improvements to the Don Valley Brick Works. |
| Earl Bales Bandshell | 5.8 | Economic Dev. & Culture | Provides funding for the construction of bandshell in Earl Bales Parks. |
| Garden Of Hope | 0.0 | Economic Dev & Culture | Provides funding to offset future maintenance costs of the Garden of Hope. |
| June Callwood Park | 0.0 | Parks, Forestry & Recreation | Receives funds from public and private donors toward the operating, maintenance, programming and future re-development of June Callwood Park |
| Historical Museum (Scarborough) | 17.6 | Economic Dev & Culture | Provides funding for the purchase and restoration of artifacts or costs related to historical buildings. Funds include donations received from the public, corporations and contributions from the Scarborough Historical Society. |
| Hummingbird Donation | 0.0 | Deputy City Manager/CFO | Provides funding for capital improvements to the Hummingbird Centre, for financing fund raising and extraordinary programming opportunities specifically related to the redevelopment plan and for no other purposes. |
| Marilyn Bell Park BMX Racetrack & Extreme Sports Facility | 0.0 | Parks, Forestry & Recreation | Provides funding for the planning, design, and development of the Marilyn Bell Park BMX Racetrack and Extreme Sports Facility. |

Donations Reserves – Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|--|-----------------------------|---------------------------------|--|
| Museum Group | 20.8 | Economic Dev & Culture | Provides funding for the enhancement of museum sites, for the purchasing of artifacts for the City Collection and for accepting both cash from donors and monies acquired through the de-accession of donated artifacts. |
| <i>Fort York</i> | | | |
| <i>Colbourne Lodge</i> | | | |
| <i>Spadina Museum</i> | | | |
| <i>Historic House and Gardens</i> | | | |
| <i>Mackenzie House</i> | | | |
| <i>Collections & Conservation</i> | | | |
| <i>Scarborough Historical Mus.</i> | | | |
| <i>Todmorden Mills Museum</i> | | | |
| <i>Montgomery's Inn</i> | | | |
| <i>Gibson House</i> | | | |
| <i>Zion Schoolhouse</i> | | | |
| <i>York Museum</i> | | | |
| <i>General</i> | | | |
| Neshama Playground | 0.0 | Parks, Forestry & Recreation | Provides funding for the planning, design, and redevelopment of the Neshama Playground at Oriole Park. |
| North Rosedale | 0.0 | Parks, Forestry & Recreation | Receives cash donations toward enhancements of parks and publicly-owned and accessible ravines within the North Rosedale community and for operating Parks, Forestry and Recreation programs within the North Rosedale community |
| One on One Mentoring | 0.0 | Public Health | Provides funding to support the One on One Mentoring Program. |
| Otter Loop Park Improvements | 0.0 | Parks, Forestry & Recreation | Provides funding for park improvements at Otter Loop Park. |
| Playgrounds Group | | Parks, Forestry & Recreation | Provides funding for the redevelopment of playgrounds. |
| <i>High-Level Pumping Station Park</i> | 0.0 | Parks, Forestry & Recreation | Provides funding for the redevelopment of the High-Level Pumping Station playground and for further improvements to High-Level Pumping Station Park. |
| <i>Kew Gardens Playground</i> | 133.8 | Parks, Forestry & Recreation | Provides funding for the redevelopment of the Kew Gardens Playground. |
| Police Museum | 641.3 | Police | Provides funding for the development, construction and operation of the Police Museum. |
| Public Access Defibrillation | 22.5 | EMS | Provides funding to purchase automated external defibrillator equipment, maintain the equipment, support the Public Access Defibrillation Program and promote such programs throughout the City. |

Donations Reserves - Continued

| Name | Balance * <small>As At 12/31/07</small> | Beneficiary Program | Purpose |
|--|--|------------------------------|---|
| Public Arts | 694.0 | Economic Dev & Culture | Provides funding to assist in the creation of public art projects in prominent locations. |
| Taddle Creek Park | 0.0 | Parks, Forestry & Recreation | Fund is to be utilized to undertake park planning and various park improvements at Taddle Creek Park |
| Toronto Fire Services Public Education | 320.6 | Fire | Provides funding for the development of a Fire Services Public Education Centre at the Harbourfront Fire Station and/or to provide funding for the Toronto Fire Prevention Risk Watch Program. |
| Wabash Community Centre Project | 20.0 | Parks, Forestry & Recreation | Provides funding for, but not limited to, the planning, design, and development of the Wabash Community centre. |
| Ward 32 Woodbine Beach Park Playground | 25.5 | Parks, Forestry & Recreation | Provides funding for the planning, design and development of additional phases of the Ward 32 Woodbine Beach Park Playground and related amenities. |
| Ward 37 Skateboard Park | 12.0 | Parks, Forestry & Recreation | Provides funding for the planning, design and development of additional phases of the Ward 37 Skateboard Park and related amenities. |
| Withrow Park Improvements | 0.0 | Parks, Forestry & Recreation | Provides funding for planned park enhancements. |
| World War II Memorial Maintenance | 53.6 | Economic Dev & Culture | Provides funding for the maintenance of a memorial on City parkland in Coronation Park commemorating those Canadians who served at home and abroad in World War II. |
| Zoo Endangered Species | 792..6 | Zoo | Provides funding for conservation, education and research projects for the preservation of endangered species by the Toronto Zoo in local, national and international initiatives. Fund consists of money received from the wishing wells at the Toronto Zoo and from bequests and donations to the Toronto Zoo which identify conservation, education or research as their objectives. |
| Total Balance | 3,141.6 | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$,000

APPENDIX B2– Schedule # 6
Employee Benefits Reserve Funds

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|---------------------------|------------------------------------|--------------------------------------|---|
| Employee/Retiree Benefits | 149,339.3 | Deputy City Manager/CFO | Provides funding for the benefit costs of employees and retirees. |
| Police Central Sick Pay | 2,786.5 | Police | Provides funding for additional sick pay benefits to member of the Police Service whose regular sick leave credits have been exhausted, due to disability while in service. |
| Sick Leave | 59,443.9 | Deputy City Manager/CFO | Provides funding for payment of vested accumulated sick time credits to employees upon termination of employment. |
| Workers' Compensation | 12,993.2 | Deputy City Manager/CFO | Provides funding for Workers' Compensation claim payments. This fund is required to ensure funds are available for future payments of current claims. |
| Workforce Reduction | .4 | Deputy City Manager/CFO | Provides funding for the personnel costs resulting from early retirement downsizing initiatives and other exits. |
| Total Balance | <u>224,563.3</u> | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$,000

APPENDIX B2– Schedule # 7
Corporate Discretionary Reserve Funds

| Name | Balance * <small>As At 12/31/07</small> | Beneficiary Program | Purpose |
|---|---|---|---|
| Animal Transaction | 421.8 | Zoo | Fund is to facilitate the purchase, sale and trading of animals and animal embryos for the Metro Toronto Zoo and for participation in consortiums for the preservation of endangered animals. |
| Eastview Neighbourhood Community Centre | 0.0 | Eastview Neighbourhood Community Centre | Provides funding to maintain buildings at the Eastview Neighbourhood Community Centre. |
| Election | 9,600.9 | Clerks | Provides funding for the cost of municipal elections. |
| Endowment for Programming at Toronto Music Garden | 633.8 | Parks, Forestry & Recreation | Accumulates the earned interest to provide annual funding to support programming at the Toronto Music Garden. |
| Environmental Liability | 3,506.8 | Facilities & Real Estate | Fund is established for the municipal properties transferred from Toronto Port Authority (TPA) to enable annual net revenues in excess of those required to subsidize port operations of the TPA and for surplus proceeds from any subsequent sale of property transactions related to these parcels to be utilized for environmental monitoring, control and remediation for these properties. |
| Enwave District Heating Energy | 1,048.7 | Enwave | Provides funding for future capital expenditures and provides collateral for performance bonding requirements on behalf of Enwave. |
| Innovation Account | 2,161.5 | Deputy City Mgr/CFO | Provides funding for the incremental cost of acquiring external resources and for backfilling key staff positions required for the effective implementation of Program Review. |
| Insurance | 23,610.4 | Deputy City Manager/CFO | Provides funding for vehicles, property and liability insurance claim payments and related legal and adjusting expenses. Fund is required for costs below deductible levels and for payments which exceed insurance coverage levels. |

Corporate Discretionary Reserve Fund - Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|---|---|----------------------------|--|
| Land Acquisition Group | 113,618.7 | Deputy City Manager/CFO | Provides funding for various capital projects for the respective entity from the net sale proceeds generated from the disposal of surplus properties. |
| <i>City-wide Parks, Forestry & Recreation Transportation. Toronto Water Toronto Public Library Board Toronto Police Services Board Toronto Transit Commission</i> | <hr style="width: 20%; margin-left: auto; margin-right: 0;"/> | | |
| Light Emitting Diode(LED) Account | <hr style="width: 20%; margin-left: auto; margin-right: 0;"/> 88,239.4 894.5 | Transportation | Accumulates the saving associated with the city-wide LED Conversion Program, for future support of a perpetual LED traffic signal lamp replacement cycle. |
| Museum and Heritage Services | 4.5 | Economic Dev. & Culture | Provides funding from the de-accession of artifacts from the City's Collection which were not acquired through donation. |
| Public Health Efficiency | 932.1 | Public Health | Provides funding to fund debt charges arising from the Toronto Community Health Information System (formerly known as Community Nursing Customer Management System) and the South Regional Animal Centre |
| St. Lawrence Centre For the Arts | 0.0 | St. Lawrence Ctr | Provides funding for capital improvements at the St. Lawrence Centre. |
| Strategic Infrastructure Partnership | 0.0 | Deputy City Mgr/CFO | Provides funding for the City's major tax-supported strategic infrastructure programs(such as Spadina Subway Extension or rail transit elsewhere in the City, and Waterfront Redevelopment, in partnership with other orders of government, and major strategic tax-supported environmental capital projects with external funding partners. |
| Total Balance | <hr style="width: 20%; margin-left: auto; margin-right: 0;"/> 156,433.7 | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$000

APPENDIX B2– Schedule # 8

State Of Good Repair Discretionary Reserve Funds

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|--|------------------------------------|------------------------------|---|
| Casa Loma Capital Maintenance | 2,976.5 | Economic Dev. & Culture | Provides funding for the capital maintenance of Casa Loma, the Casa Loma Stables and the Casa Loma Hunt Lodge. |
| Don River Park | 44.5 | Parks, Forestry & Recreation | Provides funding for the maintenance, operations and programming of the Don River Park |
| Exhibition Place Capital Improvement | 1,547.6 | Exhibition Place | Provides funding for future capital improvements to Exhibition Place buildings and lands. |
| Solid Waste Management Reserve Fund Group | | Solid Waste | Provides funding to accumulate funds to support active and retired landfill sites or waste diversion activities |
| <i>Green Lane Account</i> | 401.3 | | Being a repository for funds resulting from the operation of the Green Lane landfill site |
| <i>Green Lane Perpetual Care Account</i> | 156.0 | | Provides funding for the future costs of long-term, post-closure care of the Green Lane landfill site |
| Public Realm | 34,580.0 | Transportation | Receives net revenues from the Astral Media Outdoor LP street furniture contract for management and administration of the street furniture program and public realm; maintenance of existing net revenue streams as required to Transportation Services receiving revenue through previous street furniture contracts; and initiatives that will deliver enhanced streetscaping, neighbourhood beautification and other physical public realm improvements in the City's road allowances in connection with annual capital and operating programs |
| Road and Sidewalk Repair, Maintenance and Reconstruction | 17,981.9 | Transportation | Provides funding for the purpose of funding for capital projects of the reconstruction and repair of roads that have been aged prematurely due to multiple pavement cuts by telecommunications carriers. |
| Road Enhancement | 1,558.6 | Transportation | Provides funding for the maintenance of boulevards and the enhancement of the road allowance. |
| Scarborough Civic Centre Expansion | 1,012.3 | Facilities & Real Estate | Provides funding for various capital projects in the Scarborough Civic Centre Complex. |

State Of Good Repair Discretionary Reserve Funds - Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|---|-----------------------------|--------------------------|--|
| Solid Waste Management Perpetual Care | 37,418.0 | Solid Waste | Provides funding for the future costs of long-term, post-closure care of landfill sites. |
| Toronto Public Library Capital Projects | 93.8 | TPL | Provides funding to accumulate operating savings which can be used to fund capital projects |
| Union Station | 4,635.3 | Facilities & Real Estate | Provides funding for Union Station purposes or Union Station capital requirements, any post-closing adjustments and transaction costs, and any necessary outside legal, accounting or other consultants' fees. |
| Waste Management | 21,965.3 | Solid Waste | Provides funding for the development & operation of waste management facilities. |
| Total Balance | <u>124,371.2</u> | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$,000

APPENDIX B2– Schedule # 9
Community Initiatives Discretionary Reserve Fund

| Name | Balance * <small>As At 12/31/07</small> | Beneficiary Program | Purpose |
|---|---|---------------------------------|---|
| Capital Revolving Fund for Affordable Housing | 54,448.8 | Shelter, Support & Housing Adm. | Provides funding to non-profit organizations including the Toronto Housing Company for capital costs for affordable housing. Monies are to be applied to proposal development funding for affordable housing projects, project development assistance, including forgivable loans/repayable loans, project financing (I.e., second mortgage loans) and other activities related to improving the quality/quantity of affordable housing supply in the City |
| Child Care Capital Cost | 14,265.6 | Children’s Services | <p>Provides funding to</p> <p>(a) Preserve or replace licensed spaces available for use by subsidized families when these spaces are threatened by loss of tenure in schools/other community-based locations or funding decisions should be guided by the following considerations:</p> <ol style="list-style-type: none"> 1. School age child care spaces should be relocated to schools or recreational facilities and operate out of predominantly 2. relocation retrofit is preferable to new capital development 3. capital development should be pursued only after less costly options have been pursued without success 4. funding need not faithfully replicate the lost services; however, replacement service must be efficiently configured and support the objectives of the Children's Services Service Plan 5. preservation of service in high needs areas and under-served areas is a priority; and 6. relocation into schools or multi-service facilities if preferred <p>(b) Develop new services that meet one or more of the following objectives:</p> <ol style="list-style-type: none"> 1. Increase the supply of infant spaces in under-served areas 2. Increase the supply of licensed spaces in under-served areas 3. Increase the supply of spaces to high needs communities and populations 4. Create more efficient service models supporting the goals of the Children's Services service plan |

Community Initiatives Discretionary Reserve Fund – Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|--|-----------------------------|---------------------------------|--|
| Child Care Expansion/Pilot Project(First Duty) | 47,283.9 | Children’s Services | Provides funding to help lever additional funding support from the Province for an additional 2000 child care spaces. Funding may also be used to undertake seamless day-care pilot projects. |
| Commercial Façade Improvement | 365.2 | Economic Dev. & Culture | Provides funding for repayable loans to property owners for upgrading the appearance of storefronts and building facades in the City's commercial districts. |
| Community Heritage | 476.1 | City Planning | Provides funding for architectural conservation. |
| Cultural Facilities Capital Grant | 113.0 | Economic Dev. & Culture | Provides funding to be used to address state of good repair capital requirement of the City’s non-profit cultural sector. |
| Etobicoke Public Art Program | 72.3 | Economic Dev. & Culture | Provides funding for a broad range of community-based public art initiatives including art for new and renovations projects. |
| Gordon Sinclair Scholarship | 25.2 | Deputy City Manager/CFO | Provides funding for an undergraduate scholarship to a student enrolled in the Ryerson School of Journalism. |
| Heritage | 443.7 | Economic Dev & Culture | Provides funding from the sale of land to offset costs of future heritage projects. |
| Home Improvement | 79.8 | Shelter, Support & Housing Adm. | Provides funding for residential owners to cover principal payments of Home Improvement Loans. |
| Mayor's Homelessness Initiatives | 3,506.6 | Shelter, Support & Housing Adm. | Provides funding for on-time capital support to projects which help homeless people move towards stable housing, in particular, hostel users, street homeless and high risk groups identified by the Mayor's Homelessness Action Task Force. |
| Total Balance | 121,080.3 | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$,000

APPENDIX B3– Schedule # 10

Parkland Acquisitions/New Development Reserve Funds

| Name | Balance * <i>As At 12/31/07</i> | Beneficiary Program | Purpose |
|---|---|------------------------------|---|
| Parkland Acquisition - Pre 1999 (East York) | 120.0 | Parks, Forestry & Recreation | Provides funding for the acquisition of parkland or for other public recreational purposes, including the erection or repair of buildings and the acquisition of machinery for park or other recreational purposes. |
| Parkland Acquisition - Pre 1999 (Etobicoke) | 31.3 | Parks, Forestry & Recreation | Provides funding for the acquisition of parkland or for other public recreational purposes, including the erection or repair of buildings and the acquisition of machinery for park or other recreational purposes. |
| Parkland Acquisition – Pre 1999 (Metro) | 958.4 | Parks, Forestry & Recreation | Provides funding for the acquisition of parkland or for other public recreational purposes, including the erection or repair of buildings and the acquisition of machinery for park or other recreational purposes. |
| Parkland Acquisition – Pre 1999 (North York) | 848.6 | Parks, Forestry & Recreation | Provides funding for the acquisition of parkland or for other public recreational purposes, including the erection or repair of buildings and the acquisition of machinery for park or other recreational purposes. |
| Parkland Acquisition – Pre 1999 (Toronto) | 901.3 | Parks, Forestry & Recreation | Provides funding for the acquisition of parkland or for other public recreational purposes, including the erection or repair of buildings and the acquisition of machinery for park or other recreational purposes. |
| Parkland Acquisition – Pre 1999 (Scarborough) | 6,293.2 | Parks, Forestry & Recreation | Provides funding for the acquisition of parkland or for other public recreational purposes, including the erection or repair of buildings and the acquisition of machinery for park or other recreational purposes. |
| 5% & 2 % Land Acquisition - North York-Pre 1999 | 891.3 | Parks, Forestry & Recreation | Provides funding for the acquisition of parkland or for other public recreational purposes, including the erection or repair of buildings and the acquisition of machinery for park or other recreational purposes. |

Parkland Acquisitions/New Development Reserve Funds – Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|---|-----------------------------|------------------------------|--|
| Parkland Acquisition - City Wide/Land Acquisition | 20,096.0 | Parks, Forestry & Recreation | Provides funding for land acquisition for parkland, on a city-wide basis, having regard to both local and City-wide priorities. From January 1, 1999 to December 31, 2003, monies receive by the City in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected within each boundary of East York, Etobicoke, North York, Scarborough, Toronto, and York, committed for this purpose. As of January 1, 2004, monies receive by the City in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected within each boundary of East District, West District, South District and North District, committed for this purposes. |
| Parkland Acquisition – City Wide/New Development | 15,936.7 | Parks, Forestry & Recreation | Provides funding for new development for parkland or for other public recreational purposes, including the erection or repair of buildings and the acquisition of machinery for park or other recreational purposes, on a City-wide basis, having regard to both local and city-wide priorities. From January 1, 1999 to December 31, 2003, monies receive by the City in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected within each boundary of East York, Etobicoke, North York, Scarborough, Toronto, and York, committed for this purpose. As of January 1, 2004, monies receive by the City in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected within each boundary of East District, West District, South District and North District, committed for this purposes. |
| Parkland Acquisition – Land Acquisition (East York) | 371.1 | Parks, Forestry & Recreation | Provides funding for land acquisition for parkland within the boundary of East York. As of January 1, 1999, monies received by East York Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |

Parkland Acquisitions/New Development Reserve Funds – Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|--|-----------------------------|------------------------------|---|
| Parkland Acquisition – New Development (East York) | 112.4 | Parks, Forestry & Recreation | Provides funding for new development for parkland or for other public recreational purposes, including the erection of repair of buildings and the acquisition of machinery for park or other recreational purposes within the boundary of East York. As of January 1, 1999, monies received by East York Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |
| Parkland Acquisition – Land Acquisition (Etobicoke) | 787.5 | Parks, Forestry & Recreation | Provides funding for land acquisition for parkland within the boundary of Etobicoke. As of January 1, 1999, monies received by Etobicoke Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |
| Parkland Acquisition – New Development (Etobicoke) | 529.5 | Parks, Forestry & Recreation | Provides funding for new development for parkland or for other public recreational purposes, including the erection of repair of buildings and the acquisition of machinery for park or other recreational purposes within the boundary of Etobicoke. As of January 1, 1999, monies received by Etobicoke Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |
| Parkland Acquisition - Land Acquisition (North York) | 2,995.4 | Parks, Forestry & Recreation | Provides funding for land acquisition for parkland within the boundary of North York. As of January 1, 1999, monies received by North York Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |

Parkland Acquisitions/New Development Reserve Funds – Continued

| Name | Balance * <i>As At 12/31/07</i> | Beneficiary Program | Purpose |
|---|---|------------------------------|---|
| Parkland Acquisition - New Development (North York) | 586.0 | Parks, Forestry & Recreation | Provides funding for new development for parkland or for other public recreational purposes, including the erection of repair of buildings and the acquisition of machinery for park or other recreational purposes within the boundary of North York. As of January 1, 1999, monies received by North York Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |
| Parkland Acquisition - Land Acquisition (Scarborough) | 15.1 | Parks, Forestry & Recreation | Provides funding for land acquisition for parkland within the boundary of Scarborough. As of January 1, 1999, monies received by Scarborough Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |
| Parkland Acquisition – New Development (Scarborough) | 355.7 | Parks, Forestry & Recreation | Provides funding for new development for parkland or for other public recreational purposes, including the erection of repair of buildings and the acquisition of machinery for park or other recreational purposes within the boundary of Scarborough. As of January 1, 1999, monies received by Scarborough Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |
| Parkland Acquisition - Land Acquisition (Toronto) | 7,824.1 | Parks, Forestry & Recreation | Provides funding for land acquisition for parkland within the boundary of Toronto. As of January 1, 1999, monies received by Toronto Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |

Parkland Acquisitions/New Development Reserve Funds – Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|---|-----------------------------|------------------------------|---|
| Parkland Acquisition - New Development (Toronto) | 1,229.2 | Parks, Forestry & Recreation | Provides funding for new development for parkland or for other public recreational purposes, including the erection of repair of buildings and the acquisition of machinery for park or other recreational purposes within the boundary of Toronto. As of January 1, 1999, monies received by Toronto Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |
| Parkland Acquisition - Land Acquisition (York) | 300.3 | Parks, Forestry & Recreation | Provides funding for land acquisition for parkland within the boundary of York. As of January 1, 1999, monies received by York Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |
| Parkland Acquisition - New Development (York) | 12.0 | Parks, Forestry & Recreation | Provides funding for new development for parkland or for other public recreational purposes, including the erection of repair of buildings and the acquisition of machinery for park or other recreational purposes within the boundary of York. As of January 1, 1999, monies received by York Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |
| Parkland Acquisition – East District – Local Land | 1,024.2 | Parks, Forestry & Recreation | Provides funding for land acquisition for parkland within the boundary of East District. As of January 1, 2004, monies received by East Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |

Parkland Acquisitions/New Development Reserve Funds – Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|---|------------------------------------|------------------------------|--|
| Parkland Acquisition – East District – Local Development | 1,210.1 | Parks, Forestry & Recreation | Provides funding for new development for parkland or for other public recreational purposes, including the erection of repair of buildings and the acquisition of machinery for park or other recreational purposes within the boundary of East District. As of January 1, 2004, monies received by East Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |
| Parkland Acquisition – West District – Local Land | 1,265.3 | Parks, Forestry & Recreation | Provides funding for land acquisition for parkland within the boundary of West District. As of January 1, 2004, monies received by West Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |
| Parkland Acquisition – West District – Local Development | 1,715.2 | Parks, Forestry & Recreation | Provides funding for new development for parkland or for other public recreational purposes, including the erection of repair of buildings and the acquisition of machinery for park or other recreational purposes within the boundary of West District. As of January 1, 2004, monies received by West Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |
| Parkland Acquisition – North District – Local Land | 2,745.0 | Parks, Forestry & Recreation | Provides funding for land acquisition for parkland within the boundary of North District. As of January 1, 2004, monies received by North Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |
| Parkland Acquisition – North District – Local Development | 3,343.4 | Parks, Forestry & Recreation | Provides funding for new development for parkland or for other public recreational purposes, including the erection of repair of buildings and the acquisition of machinery for park or other recreational purposes within the boundary of North District. As of January 1, 2004, monies received by North Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |

Parkland Acquisitions/New Development Reserve Funds – Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|--|-----------------------------|------------------------------|--|
| Parkland Acquisition – South District – Local Land | 8,157.5 | Parks, Forestry & Recreation | Provides funding for land acquisition for parkland within the boundary of South District. As of January 1, 2004, monies received by South Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |
| Parkland Acquisition – South – Local Development | 7,912.7 | Parks, Forestry & Recreation | Provides funding for new development for parkland or for other public recreational purposes, including the erection of repair of buildings and the acquisition of machinery for park or other recreational purposes within the boundary of South District. As of January 1, 2004, monies received by South Community in lieu of parkland dedication requirements associated with development applications for subdivision, severance, development and redevelopment of land, per Sec. 42 of Planning Act. One half of the 50% percent of the funds collected and committed for this purpose. |
| Total Balance | 88,568.1 | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$,000

APPENDIX B3– Schedule # 11

Development Charges Reserve Funds

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|---|-----------------------------|---------------------------------|--|
| Development Charges – Etobicoke | 4,363.6 | Various | Provides funding to be used for the following designated services : <ol style="list-style-type: none"> 1. Administration 2. Fire 3. Works (includes Public Works, Transportation, Water, Sewer) 4. Storm Water Quality 5. Parks & Recreation 6. Library |
| Development Charges - North York | 12,045.7 | Various | Provides funding to be used for the following designated services : <ol style="list-style-type: none"> 1. Administration 2. Fire 3. Transportation and Works 4. Parks 5. Indoor recreation/cultural activities 6. Library |
| Development Charges – Scarborough | 23,202.9 | Various | Provides funding to be used for the following designated services : <ol style="list-style-type: none"> 1. Library services 2. Parks development 3. Fire Protection 4. Recreation facilities 5. Roads 6. Sewers & watercourses 7. Corporate studies/communication |
| Development Charges – Development Related Studies | 1,910.1 | Various | Provides funding for development related studies. |
| Development Charges – Fire | 1,743.7 | Fire | Provides funding for designated fire services capital projects. |
| Development Charges – Libraries | 5,214.9 | TPL | Provides funding for designated library services capital projects. |
| Development Charges - Parks & Recreation | 26,894.8 | Parks, Forestry & Recreation | Provides funding for designated Parks and Recreation services capital projects. |
| Development Charges – Roads | 34,529.0 | Transportation | Provides funding for designated transportation services capital projects. |
| Development Charges - Sanitary Sewage | 41,353.3 | Toronto Water | Provides funding for designated wastewater services capital projects. |

Development Charges Reserve Funds – Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|-------------------------------|-----------------------------|------------------------|---|
| Development Charges – York | 819.2 | Various | <p>Provides funding to be used for the following designated services :</p> <ol style="list-style-type: none"> 1. Sanitary Sewer Services: <ol style="list-style-type: none"> 1.1 Trunk Sewers & pumping stations; 1.2 Oversized local; 1.3 Other equip./rolling 2. Water Supply Services: <ol style="list-style-type: none"> 2.1 Water mains & storage; 2.2 Oversized locals; 2.3 Other equipment and rolling stock 3. Storm Drainage Services: <ol style="list-style-type: none"> 3.1 Main channels/drainage trucks; 3.2 Channel connections; 3.3 Retention/detention 4. Transportation Services: <ol style="list-style-type: none"> 4.1 Arterial, collector/local roads/bridges; 4.2 Street lights, signs & sidewalks; 4.3 Works, rolling stock, other equip., depots & domes 5. Solid waste management services: <ol style="list-style-type: none"> 5.1 Collection and transfer vehicle/equip. 6. Electrical power of energy services <ol style="list-style-type: none"> 6.1 Municipal substations; 6.2 Distribution trucks/transformer feeds; 6.3 Equip. vehicles, office space, etc. 7. Fire Services: <ol style="list-style-type: none"> 7.1 Fire stations; 7.2 Fire pumpers, aerials, tankers/rescue vehicles; 7.3 Small equip. & gear 8. Outdoor Recreation Services (i.e. Parks/Open Space): <ol style="list-style-type: none"> 8.1 Acq. of municipal parkland/hazard lands; 8.2 Dev. of neighbourhood parks; 8.3 Dev. of community parks; 9. Indoor Recreation Services: <ol style="list-style-type: none"> 9.1 Arenas; 9.2 Indoor pools; 9.3 Fitness facilities 9.4 Community centres; 9.5 Recreation vehicles/equip 10 Library Services: <ol style="list-style-type: none"> 10.1 Public libraries; 10.2 Library materials; 11 Administrative Services: <ol style="list-style-type: none"> 11.1 Office space(all services); 11.2 Furniture, equip./vehicles(all office services); 11.3 Growth master plans(all services); Interest charges(all projects) |

Development Charges Reserve Funds – Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|--|-----------------------------|------------------------------------|--|
| Development Charges SPUC – Water | 212.9 | Toronto Water. | Provides funding for designated water services capital projects. |
| Development Charges – Transit | 44,719.1 | TTC | Provides funding for designated transit services capital projects. |
| Development Charges - Water Works | 12,496.4 | Toronto Water | Provides funding for designated water services capital projects. |
| Development Charges – Childcare | 829.7 | Children’s Services | Provides funding for designated childcare capital projects. |
| Development Charges – Emergency Medical Services | 805.5 | EMS | Provides funding for designated Emergency Medical Services capital projects. |
| Development Charges – Police | 2,176.7 | Police | Provides funding for designated Police Services capital projects. |
| Development Charges – Shelters & Housing | 5,937.0 | Shelter, Support & Housing Adm. | Provides funding for designated shelters & housing capital projects. |
| Development Charges – Stormwater Management | 3,198.9 | Toronto Water | Provides funding for designated stormwater services capital projects. |
| Development Charges – Urban Dev. Services | 930.2 | City Planning | Provides funding for designated urban development services capital projects. |
| Total Balance | 223,383.6 | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$,000

APPENDIX B3– Schedule #12

Planning Act Reserve Funds

| Name | Balance * <small>As At 12/31/07</small> | Beneficiary Program | Purpose |
|--|---|---|--|
| Bloor Street Transformation Project Group | 1,698.1 | Economic Dev & Culture | Provides fund for the implementation of the Bloor Street Transformation Project. |
| Davisville/June Rowlands Park | 210.5 | City Planning/Parks, Forestry & Recreation. | Provides funding to be used for the design and construction of a new splashpad or a retrofit conversion of the existing wading pool in Davisville/June Rowlands Park to a splashpad or to be used otherwise for general improvements in said park. |
| Dundas Street West Streetscape Improvement | 105.2 | BIA | Fund is to be received under the Section 37 agreement with the City and Port Royal Place Development Inc. and to be used to fund streetscape improvements along Dundas Street West in proximity to the development. |
| East of Bay & Vicinity Park | 1,059.8 | Parks, Forestry & Recreation | Fund is to be used solely for the purposes of permanent improvements to the East of Bay Parklands, as well as parkland acquisitions and improvements within the boundaries of Ward 24, in accordance with the recommendation of the General Manager, Parks and Recreation. |
| Jarvis Street Corridor Group | 1,184.5 | City Planning | Provides funding for supporting the implementation of a heritage strategy for that portion of Jarvis Street Corridor (Jarvis Street south of Isabella Street). |
| King-Parliament Community Improvement Plan Group | | City Planning | Provides funding for the implementation of the King-Parliament Community Improvement Projects as outlined in the King-Parliament Community Improvement Plan. |
| <i>247 Richmond Street East</i> | 210.5 | City Planning | <i>Being a repository for funds collected through a Section 45 Agreement under the Planning Act, and intended to support implementation of the King-Parliament Community Improvement Plan.</i> |
| <i>226 King Street East</i> | 100.0 | City Planning | <i>Being a repository for funds collected through Section 45 Agreement under the Planning Act, and intended to support implementation of the King-Parliament Community Improvement Plan.</i> |

Planning Act Reserve Funds – Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|---|-----------------------------|------------------------------|--|
| Public Parking – 109 Front Street | 63.6 | Parking Authority | Provides funding to cover the cost of rectifying any deficiencies found as a result of the Inspections required under the Municipal Capital Facility Agreement made on January 20, 1998 between 109 Front Street East Inc. and the City. |
| University Theatre | 1,068.3 | City Planning | To hold funds secured by the Section 37 agreement for 86-100 Bloor Street West to be used to partially fund the Bloor Street Transformation Project, improve a TTC entrance in the area, fund a transportation study and provide community services and facilities in the nature of local area improvements. |
| Winchester Square Capital Facilities Recreation | 596.1 | Parks, Forestry & Recreation | Provides funds to support capital projects related to recreation facilities in the vicinity of the Winchester Square lands, located at 225 Wellesley Street East and 550 Ontario Street. |
| Wychwood Car Barns | 54.9 | Economic Dev. & Culture | Provides funding for the redevelopment of the Wychwood Car Barns site. |
| Total Balance | 6,351.6 | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$,000

APPENDIX B3 – Schedule #13

Community Services Obligatory Reserve Funds

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|---|-----------------------------|----------------------------|--|
| Client Identification and Benefits System | 202.3 | Social Services | Provides funding to cover the contracted costs incurred for the Client Identification and Benefits System until such time as the annualized savings resulting from the implementation of the Client Identification and Benefits System are fully realized. |
| Homes for the Aged | 22,949.4 | HFA | Provides funding for life-safety and general safety capital projects which are no longer co-funded by the Ministry of Health as a result of the Province's change in its capital funding policy. |
| Kids @ Computers Scholarship Project | 8,728.7 | Social Services | Provides funding for the Kids @ Computers Scholarship Project. |
| National Child Benefit Support | 8,997.1 | Children's Services | Provides funding for the benefit of children in receipt of social assistance and 2000 child care spaces for client exiting social assistance. |
| Ontario Works | 2,282.8 | Social Services | Provides funding for payment to employment placement agencies for Ontario Works. |
| Social Housing Federal | 25,406.8 | Shelter, Support & Housing | Provides funding to be used to mitigate the financial exposure associated with Social Housing Devolution: (a) for projects in the formerly federally funded and federally cost-shared programs, consistent with the 1999 Canada-Ontario "Social Housing Agreement"; and (b) including the following purposes: <ul style="list-style-type: none"> (i) to stabilize in-year variances as well as unanticipated year-to-year expenditures fluctuations, to help minimize or phase in their impacts on the property tax rate; (ii) to supplement funds for capital repairs ,in regard to urgent needs or phase-in toward higher funding levels; and (iii) to fund other potential liabilities as they arise, but excluding expected annual subsidy costs. |
| Total Balance | 68,567.2 | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$,000

APPENDIX B3 – Schedule #14

State of Good Repair Obligatory Reserve Funds

| Name | Balance * <i>As At 12/31/07</i> | Beneficiary Program | Purpose |
|--|---|---------------------------------|---|
| 16 Ryerson (Theatre Passe Muraille) Capital Maintenance | 0.0 | Economic Dev. Culture & Tourism | Provides security against any future failure to comply with the capital maintenance requirement during the tenancy of Theatre Passe Muraille at 16 Ryerson Avenue |
| Building Code Act Service | 6,662.0 | Building | Provides funding to create and maintain systems and processes which enable service delivery timelines and reporting requirements of the Province's Bill 124, Building Code Statute Law Amendment Act, 2002 legislation to be met. |
| Campeau Dock Maintenance | 213.6 | Parks, Forestry & Recreation | Provides funding for the maintenance of docking facilities at Harbour Square. |
| Harbourfront Parklands | 7,230.4 | Parks, Forestry & Recreation | Provides funding for the Harbourfront parkland development, water's edge promenade and programming on Harbourfront Parklands. |
| Hummingbird Centre Capital Improvement | 1,847.6 | Hummingbird Centre | Provides funding to finance major renovations and improvements. |
| North York Performing Arts Centre Capital Maintenance | 5,618.1 | NYPAC | Provides funding for major repairs and capital replacements at the North York Performing Arts Centre. |
| Racquet Sport - Scarborough | 670.4 | Parks, Forestry & Recreation | Provides funding for maintenance and development of racquet sport facilities. |
| Regent Park Residents' Association | 276.1 | Parks, Forestry & Culture | Provides funding for a grant to provide operating funds to the Regent Park Residents' Association pursuant to the terms of a May 19, 1983 agreement with the Trustees of the Regent Park Community Centre Trust Fund. |
| Ridley Road Maintenance | 10.1 | Transportation | Provides for interest on developer's deposit to be used to offset annual boulevard maintenance costs. |

State of Good Repair Obligatory Reserve Funds- Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|---------------------------------|-----------------------------|------------------------------|--|
| Stadium Road Capital | 0.0 | Parks, Forestry & Recreation | Provides funding for capital repairs and improvements to the dock Wall, promenade and the north and south parks on the west side of Stadium Road, at Queens Quay West (also known as 2-50 Stadium Road). |
| Stadium Road Maintenance | 0.0 | Parks, Forestry & Recreation | Provides funding for the on-going maintenance, repair, and reconstruction of the promenade and the dock wall on the west side of Stadium Road, at Queens Quay West (also known as 2-50 Stadium Road). |
| Tam Heather | 16.1 | Parks, Forestry & Recreation | Provides funding to improve facility or to cover operation deficits of the Tam Heather Country Club. |
| TEDCO Environmental Remediation | 0.0 | TEDCO | Provides funding to subsidize port operations of the Toronto Harbour Commission and for environmental monitoring control and remediation for the parcels. |
| Total Balance | 22,544.3 | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$,000

APPENDIX B3 – Schedule #15

Third Party Agreements Reserve Funds

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|--|-----------------------------|------------------------------|--|
| 12 Alexander Street Theatre Project | 414.5 | Economic Dev. & Culture | Provides funding for an endowment fund for 12 Alexander Street as specified in an agreement with "The Alexander Street Project". |
| Better Buildings Partnership(BBP) Loan Repayment | 6,966.1 | Facilities & Real Estate | Provides funding in support of the Better Buildings Partnership Loan Program and other program initiatives of the Energy Efficiency Office. |
| Canada Strategic Infrastructure** | 210,859.2 | TTC | Provides a repository for funds received from the Federal and Provincial governments under the Canada Strategic Infrastructure Fund (CSIF) to support the TTC's state of good repair, Ridership Growth Strategy and subway expansion programs as set out in the TTC's Ten Year Capital Plan, as well as an integrated ticketing system |
| City Parking | 1,467.9 | Deputy City Manager/CFO | Provides for the accumulation of net proceeds from municipal parking operations. Monies are to be applied first, to principal and interest on debentures; second, to new facilities; and third, to general purposes as determined by Council. |
| Design Exchange | .3 | Design Exchange | Provides funding for the Design Exchange's operating budget. |
| Design Exchange Capital Maintenance | 124.0 | Design Exchange | Provides funding for unanticipated capital maintenance and extraordinary repairs and maintenance relating to the premises occupied by the Design Exchange. Use of the reserve fund is subject to Council approval. |
| Eglinton Flats Tennis Facility Maintenance | 0.0 | Parks, Forestry & Recreation | Provides funding to resurface the Eglinton Flats tennis courts and perform other required minor maintenance at the site. |
| Exhibition Place Conference Centre | 335.6 | Deputy City Manager/CFO | Provides a source of funding for any shortfalls in loan payments to the City from Exhibition Place for the new conference centre |
| Golden Mile Employment District Transportation System Improvement Charge | 1,702.0 | Transportation/City Planning | Provides funding for the construction and implementation of transportation improvements in Golden Mile Employment District and, where appropriate, provides funds for rebates to front ending contributors in the Golden Mile Employment District. |

Third Party Agreements Obligatory Reserve Funds – Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|---|-----------------------------|------------------------------|---|
| Ireland Park | 55.2 | Parks, Forestry & Recreation | Provides funding to be used to fund on-going maintenance, including, but not limited to grass cutting, tree maintenance, water, in-ground sprinkler system, garbage removal, hydro costs. |
| Jewish War Memorial Maintenance and Operation | 0.0 | Parks, Forestry & Recreation | Provides funding for the ongoing facility and grounds maintenance and operation of the War Memorial in Earl Bales Park. |
| Lakeshore Lions Arena | 0.00 | Deputy City Mgr/CFO | Holds funds resulting from the replacement of a letter of credit with cash as a consequence of an agreement between the City, the Lakeshore Lions, and Maple Leaf Sport and Entertainment Inc. in order to provide the City with security for the purposes of funding any debt service deficiencies over the term of the loan (35 years). |
| Ontario Bus Replacement Program | 15,438.1 | TTC | Provides a repository for funds received from the Provincial government under the Ontario Bus Replacement Program (OBRP) for conventional and specialized transit |
| Ontario Rolling Stock Infrastructure | 116,524.2 | TTC | Provides a repository for funds received from the Provincial government to fund Toronto's unique rolling stock requirements including transit vehicle replacement and refurbishment for 2006, 2007 and 2008 |
| Police OMERS Type 3 | 0.0 | Police | Fund is used to 'receive' funds from OMERS and to disburse funds (including interest) to the Toronto Police Association from the return of funds from contributions made on behalf of the Toronto Police Service Board and its employees under OMERS Type 3 benefit which are now excess funds to OMERS' requirements. |
| Provincial Gas Tax Revenue for Public Transit | 97,941.2 | TTC | Provides funding for public transportation expenditures eligible under the Provincial Dedicated Gas Tax Funds for Public Transportation Program. |
| Public Transit Capital Trust | 148,992.2 | TTC | Provides a repository for funds received through the Provincial government under the Public Transit Capital Trust (PTCT) to support public transit in Toronto |

Third Party Agreements Reserve Funds – Continued

| Name | Balance * As At 12/31/07 | Beneficiary Program | Purpose |
|---|-----------------------------|------------------------------|--|
| Transit Technology Infrastructure Program | 9,394.8.0 | TTC | Provides a repository for funds received from the Provincial government under the Transit Technology Infrastructure Program (TTIP) for the expansion of park and ride facilities, roadway improvements, station and operational improvements to encourage inter-regional transit use |
| Soccer Stadium Capital Maintenance ** | 0.0 | Deputy City Mgr/CFO | Provides funding for capital expenditures (i.e. capital expenditures, as defined as per GAAP) for the soccer stadium at Exhibition Place |
| Subdividers' Deposits | 19,991.4 | Various | Provides depository for construction related deposits. |
| Ward 23 Parks and Recreation Improvement | 2,353.3 | Parks, Forestry & Recreation | Provides funding for public parks and/or recreational uses specifically in Ward 23. |
| Total Balance | 632,560.0 | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$,000

** Created in this report

APPENDIX B2 – Schedule #16
Toronto Water Reserve Funds

| Name | Balance * <small>As At 12/31/07</small> | Beneficiary Program | Purpose |
|-----------------------|---|--------------------------------|--|
| Waste Water Capital | 219,280.6 | Toronto Water | Provides funding for expediting water pollution control measures capital projects. |
| Water Efficiency Loan | 2,083.9 | Toronto Water | Provides funding for a revolving loan program to provide loans to the City's agencies, boards, commissions and divisions as well as the Toronto School Boards and the Toronto Community Housing Corporate for water efficiency projects. |
| Water Capital | 41,879.1 | Toronto Water | Provides funding for water infrastructure. |
| Total Balance | 263,243.6 | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$,000.

APPENDIX B2 – Schedule # 17
Parking Authority Reserve Funds

| Name | Balance * <small>As At 12/31/07</small> | Beneficiary Program | Purpose |
|---|---|--------------------------------------|---|
| City Parking Payment Lieu | 6,854.2 | Parking Authority | Provides for the accumulation of payment in lieu of parking contributions received pursuant to the Planning Act for parking purposes. Monies are to be applied first, to principal and interest on debentures; second, to new facilities; and third, to general purposes as determined by Council. |
| Parking Authority Capital Expenditure | 0.0 | Parking Authority | Provides funding for capital expenditures on parking lots and facilities. Monies are to be applied first, to principal and interest on debentures, second for the acquisition, establishment, laying out or improvement of additional parking lots or facilities, third, to general purposes as determined by Council. |
| Parking Authority Shopping Mall Rented Properties (Toronto) | 879.2 | Parking Authority | Provides for the net surplus of the leasing of those portions of the buildings which are not required for parking purposes. Monies are to be applied first, to principal & interest on debenture issued to finance the cost of parking facilities, second, to additional parking facilities, third, to other purposes as determined by Council. |
| Total Balance | 7,733.4 | | |

* All funds are as at Dec. 31, 2007 as of Jan. 17, 2008 in \$,000

Appendix B4
Reserve Funds To Be Transfer And Then Closed

| Account To Closed | Funds Transfer To | Amount |
|---|---------------------------|---------------|
| Emergency Technology Acq. Reserve Fund | Capital Financing Reserve | \$614,100 |

Appendix C

Soccer Stadium Capital Maintenance Reserve Fund

- (a) Location within the Consolidated Reserve Fund Schedule

Account within Schedule #15– Third Party Agreements Reserve Funds

- (b) Statement of Purpose

The funds are to be used to provide for capital expenditures (i.e. capital expenditures, as defined as per GAAP) for the soccer stadium at Exhibition Place.

- (c) Service Area or Beneficiary Program

Deputy City Manager and Chief Financial Officer shall have primary responsibility for the account.

- (d) Initial Contribution:

Because there was not a full year of operation in Year One, the first contribution is only \$300,000.

- (e) Contribution Policy

An annual contribution of \$400,000 (increased by CPI annually from Year Six onward) from the stadium revenues

- (f) Withdrawal Policy:

Funds will be withdrawn from the reserve fund to be applied as source funding for capital maintenance for the soccer stadium at Exhibition Place to be included in the Exhibition Place Capital Budget and as consistent with the City's normal capital budget processes.

- (g) Review Cycle

The account will be reviewed at the end (twenty years) of the agreement between the City, the Board of Governors of Exhibition Place and Maple Leaf Sports and Entertainment (MLSE). The City will retain all funds within the capital reserve account at the expiration of the Management Agreement term, save and except to the extent that MLSE and the City have made additional capital contributions which have not been recouped, in each case, such amounts remaining in the capital reserve account shall first be distributed equally (i.e. 50/50) to the City and MLSE up to an amount equal to such additional contributions.