

CPS-49-2025
Appendix 2
Reserve and Reserve Fund Policy – Target Balances

Asset Category	Funding Source	Reserve Fund	Replacement Cost (2024 \$)	Replacement Cost (2025 \$)*	Reinvestment Ratio (%)**	Annual Contribution (2025 \$)	Fund Target (2025 \$)***	Fund Target (%)***
Potable Water Network	Water Rate	Water Capital Reserve Fund	\$ 141,832,073.00	\$ 146,087,035.19	1.70%	\$ 2,483,479.60	\$ 14,608,703.52	10%
Wastewater Network	Wastewater Rate	Wastewater Capital Reserve Fund	\$ 306,466,011.00	\$ 315,659,991.33	1.40%	\$ 4,419,239.88	\$ 31,565,999.13	10%
Stormwater Network	Stormwater Rate	Stormwater Capital Reserve Fund	\$ 163,041,500.00	\$ 167,932,745.00	2.50%	\$ 4,198,318.63	\$ 16,793,274.50	10%
Road Network	Tax Funded	Roads Capital Reserve Fund	\$ 529,509,060.00	\$ 545,394,331.80	2.50%	\$ 13,634,858.30	\$ 27,269,716.59	5%
Bridges and Culverts	Tax Funded	Canada Community Building Fund (CCBF) Reserve Fund and Ontario Community Infrastructure Fund (OCIF) Reserve Fund	\$ 194,863,274.00	\$ 200,709,172.22	1.30%	Bridges and Culverts are funded from the CCBF and OCIF Reserve Funds which are grants provided by the Federal and Provincial Government respectfully. There is a AMP target for funding required, however, the specific reserve funds do not have targets as the Municipality has to comply with the grant agreements.		
Fleet (excluding Fire)	Tax Funded	General Vehicles and Equipment Reserve Fund	\$ 19,703,437.00	\$ 20,294,540.11	7.20%	\$ 1,461,206.89	\$ 3,044,181.02	15%
Fire Fleet	Tax Funded	Fire Vehicles and Equipment Reserve Fund	\$ 12,382,200.00	\$ 12,753,666.00	7.20%	\$ 918,263.95	\$ 1,913,049.90	15%
Facilities and Parks	Tax Funded	Buildings and Facilities Reserve Fund	\$ 139,523,777.00	\$ 143,709,490.31	5.30%	\$ 7,616,602.99	\$ 21,556,423.55	15%
TOTAL			\$ 1,507,321,332.00	\$ 1,552,540,971.96		\$ 34,731,970.22	\$ 116,751,348.21	

* applied 3% inflationary increase for 2025.

** Reinvestment Ratio to determine financial sustainability target as per AMP (minimum annual investment as a percentage of total replacement cost).

*** The fund's target balance is set between 5% and 15% of replacement costs. The specific percentage varies by category, depending on the average useful life of the assets and how recently they were acquired.