

SCHEDULE 60 - Continuity of Reserves and Reserve Funds

General Information

Reserves and reserve funds are comprised of funds set aside for specific purposes by Council and funds set aside for specific purposes by legislation, regulation, or agreement. For financial reporting purposes, reserve funds set aside by legislation, regulation or agreement are categorized as Obligatory Reserve Funds and are reported as deferred revenue, a liability, on the Consolidated Statement of Financial Position. Other reserve funds and reserves are balances within the accumulated surplus.

Schedule 60 contains a continuity section (lines 0299 to 2099) and an analysis section (lines 5010 to 9930).

Three columns have been created to distinguish Obligatory reserve funds/Deferred revenues from Discretionary reserve funds and Reserves.

All schedules of the FIR should be prepared in conjunction with the audited financial statements. Obligatory reserve funds are reported as part of deferred revenue. The reason is that such funds, by their nature, involve restrictions on their use and are not available for the discretionary use of Council.

CONTINUITY SECTION

Line 0299 Balance, Beginning of Year

Enter the beginning balance for Obligatory reserve funds/Deferred revenue in column 1, Discretionary reserve funds in column 2, and Reserves in column 3.

For each column, the balance at the beginning of the year on Line 0299 should equal the amount reported in the previous year as the balance at the end of the year on Line 2099.

Reserve Inflows

This section identifies sources of inflows to obligatory reserve funds/deferred revenue, discretionary reserve funds, and reserves.

Line 0312 Contribution from Operations (Previously "Allocation of Surplus")

This section reports contributions to reserves and discretionary reserve funds (includes funds raised for future use as well as any allocations of annual surplus). These amounts should be positive values.

Please note that transfers between reserves/reserve funds should continue to be

recorded in line 0870 Inter-Reserve Fund/Reserves Transfer.

DEVELOPMENT CHARGES ACT

All development charges received during the year should be reported on this schedule as an inflow of obligatory reserve funds/deferred revenue, in column 1.

Recent changes have been made to the Development Charges Act, 1997. Section 26.1 of the Development Charges Act (DCA) has provided for deferred payments for builders of rental housing and institutional development.

Development charges are categorized into:

Line 0615 Net Development Charges Collected

This line is automatically populated from Schedule 61 Line 0299 Column 02.

Line 0616 Net Development Charges Receivable

This line is automatically populated from Schedule 61 Line 0299 Column 17.

Line 0699 Subtotal Development Charges Act

This line is automatically calculated as the sum of lines 0615 and 0616.

Line 0810 Lot levies

Report lot levies received previously pursuant to section 164 of the Municipal Act on this Line in either column 2 or 3.

Line 0820 Sub-divider contributions

Report sub-divider contributions received previously pursuant to section 51.5 of the Planning Act on this line.

Line 0830 Recreational land (the Planning Act)

Report payments received in lieu of parkland dedication under sections 42 and 51.1 of the Planning Act here.

Line 0834 Community Benefits Charges

Report community benefits charges received pursuant to section 37 of the Planning Act on this line.

Line 0841 Investment income

Report interest earned from short-term internal loans from reserves and reserve funds. Include all interest income generated on reserve fund balances from external sources such as bank deposits, promissory notes, etc.

Line 0842 Interest earned on Development Charges Receivable

This line is automatically populated from Schedule 61 Line 0299 column 18.

Line 0860 Gasoline Tax - Province

Report the Provincial gas tax received from the Provincial Government only if these funds have not been utilized during the year.

If the Provincial Gasoline tax revenues have been utilized (“earned”) then the earned revenue should be reported on Schedule 12, under the appropriate transit category.

Line 0861 Building Code Act, 1992

Record the building permit fees to cover future enforcement and administrative costs as deferred revenue.

Line 0862 Canada Community – Building Fund (Gasoline Tax – Federal)

Report the Canada Community-Building Fund grants received from the Federal Government only if these funds have not been utilized during the year.

If the Canada Community-Building Fund revenues have been utilized (“earned”) then the earned revenue should be reported on Schedule 12, column 6 – Canada Grants: Tangible Capital Assets, under the appropriate functional category.

Line 0864 Building Canada Fund (BCF)

Report the Building Canada fund inflows received from the Federal Government only if the funds have not been utilized during the year.

If the Building Canada Fund inflows have been utilized (“earned”) then the earned revenues should be reported on Schedule 12, column 6 – Canada Grants: Tangible Capital Assets, under the appropriated functional category.

Line 0870 Inter-Reserve Fund/Reserves Transfer

This line has been included to allow transfers between the following reserve funds: Discretionary Reserve Funds and Reserves.

Please note that transfers from Obligatory reserve funds/Deferred revenue to Discretionary reserve funds and Reserves **is not allowed**.

Line 0895 to Line 0898 Other

Please specify other inflows of the Obligatory reserve funds/Deferred revenue.

Line 9940 Total Revenues & Surplus

In column 1 (Obligatory reserve funds/Deferred revenue), total inflows on Line 9940 equal the sum of line 0699 plus amounts on lines 0820 through 0898. These lines represent contributions from the Statement of Operations, development charges, sub-divider contributions, payments received in lieu of recreational land, community benefits charges, investment income, interest earned on development charges receivables, building code act, and Provincial gasoline and Canada Community-Building Fund inflows.

In column 2 (Discretionary reserve funds), total inflows on line 9940 equal the sum of Lines 0310, 0810 and 0841 through 0898. These lines represent contributions from the Statement of Operations, lot levies and investment income.

In column 3 (Reserves), total inflows on Line 9940 equal the sum of lines 0310, 0810 and 0841 through 0898. These lines represent contributions from the Statement of Operations, lot levies and investment income.

LESS: UTILIZATION (Outflows) OF RESERVE FUNDS AND RESERVES (TRANSFERS)

Line 1012 For acquisition of tangible capital assets

For each column, report the amount used for the acquisition of tangible capital assets.

Do not include on this line any amounts coming from the obligatory reserves (deferred revenue) such as **development charges, recreational land, Community Benefits Charges, Canada Community-Building fund, and provincial gas tax.**

Line 1015 For current operations

For each column, report the amount used for current operating expenses.

Do not include on this line any amounts coming from the obligatory reserves such as **development charges, recreational land, Community Benefits Charges, Canada Community-Building fund, and provincial gas tax.**

Line 1025 Development Charges earned to tangible capital asset acquisition

This line is automatically populated from Schedule 61 Line 0299 Column 8.

Line 1026 Development Charges earned to operations

This line is automatically populated from Schedule 61 Line 0299 Column 7.

Line 1027 Monies Borrowed from Development Charges Reserve Fund

This line is used to record amounts borrowed from development charges reserve funds.
This line is automatically populated from Schedule 61 Line 0299 Column 23.

Line 1032 Recreational land (the Planning Act) earned to tangible capital asset acquisition

Please report recreational land earned for the acquisition of tangible capital assets.

Line 1035 Recreational land (the Planning Act) earned to operations

Please report recreational land earned for current operating purposes.

Line 1036 Community Benefits Charges Earned

Please report community benefits charges used in the current year for the acquisition of tangible capital assets.

Line 1042 Deferred revenue earned (Provincial Gas Tax) for Transit (operations)

Please report the Provincial gas tax - deferred revenue earned – for transit current operating expenses.

Line 1045 Deferred revenue earned (Provincial Gas Tax) for Transit (Capital)

Please report the Provincial gas tax –deferred revenue earned – for the acquisition of tangible capital assets only for Transit.

Line 1047 Deferred revenue earned (Canada Community – Building Fund (Formerly known as Canada Gas Tax)

Please report the Canada Community -Building Fund – deferred revenue earned – for the acquisition of tangible capital assets.

Line 1048 Deferred revenue earned (Canada Community-Building Fund for Operating – Capacity Building)

Please report the Canada Community -Building Fund (Canada Gas Tax) – deferred revenue earned – for the capacity building.

Line 1070 Inter – Reserve Fund/Reserves Transfer

This line has been included to allow transfers between the following: Discretionary reserve funds and Reserves.

Please note that transfers from Obligatory reserve funds/Deferred revenue to Discretionary reserve funds and Reserves **is not allowed**.

Line 0910 Less: Utilization (deferred revenue recognized)

This line is automatically calculated, and it identifies the utilization (“earned”) of obligatory reserve funds/deferred revenue, discretionary reserve funds, and reserves.

For obligatory reserve funds, utilization is equal to the sum of lines 1012 through 1048.

For Discretionary reserve funds and reserves, utilization is equal to the sum of lines 1012, 1015, and 1070.

Line 2099 Balance, End of Year

For each column: Balance, end of year - Line 2099 equals

**Balance, beginning of year - Line 0299
PLUS: Total Revenues & Surplus - Line 9940
LESS: Utilization - Line 0910**

TOTALS IN LINE 2099 ARE ANALYSED AS FOLLOWS:

The year-end balances for each column reported in Line 2099 in the Continuity section are analysed further in this section.

Obligatory reserve funds/Deferred revenue

In column 1, the year-end balance for obligatory reserve funds/deferred revenue in line 2099 is itemized using the following categories on lines 5635 to 5699:

Development Charges (collected)
Development Charge Instalments Receivable (Uncollected)
Sub-divider contributions (Section 51.5 of the Planning Act)
Recreational land (the Planning Act) (Sections 42 and 51.1 of the Planning Act)
Community Benefits Charges (Section 37 of the Planning Act)

Building Code Act, 1992 (Section 1.9.1.1 (d))
Gasoline Tax - Province
Canada Community-Building Fund (Gasoline Tax – Federal)
Building Canada Fund (BCF)
Other
The lines which do not apply are blocked out.

Discretionary reserve funds

In column 2, the year-end balance for discretionary reserve funds is analysed in terms of:

Working funds and other specified uses (Lines 5010 to 5680)

Per service function (Lines 5205 to 5290)

Reserves

In column 3, the year-end balance for reserves is analysed in terms of:

Working funds and other specified uses (Lines 5010 to 5680)

Per service function (Lines 5205 to 5290)

For each column, the balance reported on line 9930 of the Analysis section must equal the balance at the end of the year on line 2099 of the Continuity section. A critical error is triggered if the amounts do not equal.

Lines 5010 to 5290 **These Lines apply only to Column 2 (Discretionary reserve funds) and Column 3 (Reserves).**

For each column, identify amounts included in the year-end balance on line 2099 which are held for the following purposes: working funds, contingencies, Ontario Clean Water Agency, replacement of equipment, sick leave, insurance, Workplace Safety and Insurance Board (WSIB) and post-employment benefits, lot levies, parking revenues, debenture repayment, exchange rate stabilization and other.

Line 5010 Working funds

Report the amount set aside to meet current expenditures during the year.

Line 5020 Contingencies

Report the amounts set aside to offset future expenditures classified as contingencies by your municipality. Amounts set aside may relate to the balance of property taxes under appeal, unresolved litigation, among other balances.

Line 5030 Asset Replacement funds for renewals: Wastewater

Line 5040 Asset Replacement funds for renewals: Water

Line 5050 Replacement of Equipment

Line 5060 Sick Leave
Line 5070 Insurance
Line 5080 Workplace Safety and Insurance Board (WSIB)

Line 5090 Post-employment benefits

Report the value of reserves or discretionary reserve funds established to provide for the settlement of these liabilities. The value reported is not necessarily the amount of the liability reported in the balance sheet at the year-end on Schedule 70, Consolidated Financial Position.

Line 5091 Tax rate stabilization

Report the amount set aside to stabilize the impact of future budget tax increases. Amounts set aside may relate to the balance of property taxes under appeal among other balances.

Line 5630 Lot levies
Line 5660 Parking revenues
Line 5670 Debenture repayment
Line 5680 Exchange rate stabilization

Per Service Purpose:

These lines apply only to Column 2 (Discretionary reserve funds) and Column 3 (Reserves). For column 2 and column 3, identify amounts included in the year-end balance in Line 2099 which are held for capital asset renewal. Per service purposes are identified by function as shown below. Each functional category used in Schedule 40 is included. In addition, selected sub-functions are included for transportation services, environmental services and recreation and cultural services.

General Government	
Protection Services	
Transportation Services	- Roadways; Winter Control; Transit; Parking; Street Lighting; Air transportation
Environmental Services	- Wastewater System - Storm water System - Waterworks System - Solid waste Collection - Solid waste Disposal - Waste Diversion
Health Services	
Social and Family Services	
Social Housing	
Recreation and Cultural Services	- Parks - Recreation programs - Rec. Facilities - Golf Course, Marina, Ski Hill - Rec. Facilities - Other - Libraries
- Museums	
-Cultural services	

Planning and Development
Other

OBLIGATORY RESERVE FUNDS/DEFERRED REVENUE

These lines apply to Column 1 only.

Lines 5635 through 5699 provide a list of uses for obligatory reserve funds/deferred revenue. The following categories are available:

Line 5635 Development Charges Act (61 0299 14)

This line includes amounts (development charges and interest) that have been collected. This line is automatically populated from Schedule 61 Line 0299 Column 14.

Line 5636 Development Charges Instalments Receivable (Uncollected) (61 0299 13)

This line includes amounts (development charges and accrued interest) that at year end remain uncollected in accordance with section 26.1 of the Development Charges Act. This line is automatically populated from Schedule 61 Line 0299 column 13.

Line 5640 Sub-divider Contributions

Line 5650 Recreational Land (the Planning Act)

Line 5655 Community Benefits Charges

Line 5661 Building Code Act, 1992 (**Section 1.9.1**)

Line 5690 Gasoline Tax - Province

Line 5691 Canada Community -Building Fund (Gasoline Tax – Federal)

Line 5693 Building Canada Fund (BCF)

Line 5695 Other

Line 5696 Other

Line 5697 Other

Line 5698 Other

Line 5699 Other

Line 9930 TOTAL

For obligatory reserve funds/deferred revenue (Column 1) the total on line 9930 must equal the sum of lines 5635 to 5699.

For discretionary reserve funds (Column 2), the total on line 9930 must equal the sum of lines 5010 through 5290.

For reserves (Column 3), the total on line 9930 must equal the sum of lines 5010 through 5290.

For each column, the total on line 9930 in the analysis section must equal the amount on line 2099 (Balance, end of year) in the Continuity section of this Schedule.

SLC 60 2099 01 = SLC 60 9930 01

SLC 60 2099 02 = SLC 60 9930 02

SLC 60 2099 03 = SLC 60 9930 03

B: Parkland Special Account

The Planning Act provides tools for municipalities to fund the acquisition of land to be used for parks and other public recreational purposes. The purpose of this section is to record the dedication provisions of land for different types of development. Please record both the number in hectares and the value of the land that has been dedicated for parkland in the current year.

Please do not include cash-in-lieu amounts (cash-in-lieu contributions for parkland are recorded on line 0830 Recreation land (the Planning Act) and line 5650 Recreation land (the Planning Act) in Schedule 60 (above.)

Parkland provided in the year:

Line 5801 Commercial / Industrial

This line is used to record the dedication of parkland in respect of land proposed for commercial or industrial development. Both the number of hectares of parkland provided and its value are required.

Line 5802 Residential (standard rate)

This line is used to record the dedication of land in respect of land proposed for any type of development except for commercial or industrial development based on the standard rate of up to 5% of the land proposed for development. Both the number of hectares of parkland provided and its value are required.

Line 5803 Residential (alternative rate)

In certain circumstances, municipalities can use the alternative rates of up to 1 hectare of parkland for every 600 dwelling units. This line is used to record dedications in accordance with these alternative land dedication provisions for residential. Both the number of hectares of parkland provided and its value are required.

Line 5804 Other

This line is used to record other arrangements made with developers for parkland. Both the number of hectares of parkland provided and its value are required.

C: Community Benefits Charges

In Kind Contributions for the year:

Line 5901 In Kind Contributions (reported in year building permit issued)

Please enter the dollar value of in-kind contributions.