

SUBJECT: Corporate Reserve Fund review  
TO: Committee of the Whole  
FROM: Finance  
N/A

Report Number: FIN-35-25

Wards Affected: not applicable

Date to Committee: October 6, 2025

Date to Council: October 14, 2025

---

## **Recommendation**

Repeal the following by-laws:

108-1994 – Downtown Streetscape Reserve Fund,  
17-2005 – LaSalle Marina Reserve Fund,  
33-2008 – Provincial Fall Economic Statements Transit Reserve Fund,  
25-2013 – Randle Reef Reserve Fund,  
56-2014 – Museum Board – Joseph Brant Transformation Project Reserve Fund,  
65-2015 – Senior’s Centre Reserve Fund,  
67-2015 – Haber Naming Sponsorship Reserve Fund,  
006-2016 – Commodity Stabilization Reserve Fund, and  
30-2019 – Art Gallery Reserve Fund,  
as described in finance department report FIN-35-25; and

Approve the by-law substantially in the form attached as Appendix B to finance department report FIN-35-25, being a by-law to amend the Facilities and Programs Reserve Fund - Recreation Centres By-law 58-2015; and

Authorize the Chief Financial Officer to transfer reserve fund balances and adjust reserve fund commitments as outlined in finance department report FIN-35-25.

## Executive Summary

### Purpose of report:

- To provide an administrative review of the City's reserve funds to ensure that they are still required and appropriately aligned with operational needs. The review will also evaluate the relevance and adequacy of associated bylaws, and identify any that may need to be updated, consolidated, or repealed to ensure effective financial management and compliance.

### Key findings:

- **Outdated or Redundant Reserve Funds**
  - Several reserve funds are no longer aligned with current City priorities or have not been utilized for several years, indicating they may no longer be required.
- **Opportunities for consolidation**
  - Some reserve funds have overlapping purposes, suggesting that consolidation could simplify administration and improve transparency.
- **By-laws requiring updates**
  - Some reserve funds are outdated and require revision to reflect revised practices.

### Implications:

- **Inefficient Use of Funds**
  - Maintaining outdated or unnecessary reserve funds may tie up financial resources that could otherwise be reallocated to projects or emerging needs.
- **Increased Administrative Burden**
  - Managing a large number of redundant or overlapping reserve funds increases administrative complexity and workload, potentially leading to inefficiencies in financial reporting and oversight.

# Recommendation Report

---

## Background

Reserve funds are a key element of the City's overall financial strategy, supporting long-term financial planning and fiscal stability. These funds are set aside for a specific purpose, either through legislated requirements or by Council direction. Maintaining sufficient reserve funds are critical to prudent financial management.

The primary purposes of maintaining reserve funds include:

- Providing financial stabilization in response to variable or unforeseen circumstances, ensuring adequate and sustainable cash flows;
- Funding one-time or short-term needs without impacting tax rates or user fees;
- Offering a source of internal financing;
- Supporting the replacement of capital assets and the long-term sustainability of infrastructure; and
- Enhancing financial flexibility to manage debt levels and safeguard the City's financial position.

The City also currently holds four reserves. Following staff review, no changes to these reserves are recommended at this time.

Staff provide quarterly updates on the status of the City's reserves and reserve fund balances. The balances as of June 30, 2025, are included in Appendix A.

---

## Analysis

An initial review of existing reserve funds was undertaken by staff to ensure that they are required as per the designated use, that the purpose in which the funds were established remain applicable today and, where possible, should be consolidated to meet the current needs of the organization. Relevant City staff within other departments were consulted where necessary. Proposed actions were determined and are summarized below. A summary of all current reserve funds is provided in Appendix A.

### Repeal by-laws and close reserve funds

By-Law	Reserve Fund	Balance as of June 30, 2025	Recommendation
108-1994	Downtown Street	-	Repeal by-law and close reserve fund
17-2005	LaSalle Marina	-	Repeal by-law and close reserve fund
33-2008	Provincial Fall Economic Statements Transit	-	Repeal by-law and close reserve fund

25-2013	Randle Reef	-	Repeal by-law and close reserve fund
56-2014	Museum Board - Joseph Brant Transformation Project	-	Repeal by-law and close reserve fund
65-2015	Senior's Centre	365,912	Repeal by-law, close reserve fund and transfer balance to Recreation Centres reserve fund
67-2015	Haber Naming Sponsorship	637,692	Repeal by-law, close reserve fund and transfer balance to Recreation Centres reserve fund
006-2016	Commodity Stabilization	984,622	Repeal by-law, close reserve fund and transfer balance to Tax Rate Stabilization reserve fund
30-2019	Art Gallery	5,847	Repeal by-law, close reserve fund and transfer balance to the Art Gallery of Burlington

### **Amend Reserve Fund By-Law**

<b>By-Law</b>	<b>Reserve Fund</b>	<b>Balance as of June 30, 2025</b>	<b>Recommendation</b>
58-2015	Recreation Centres	203,946	Amend Section 1 of by-law 58-2015 to include Burlington Senior's Centre

### **Reserve Fund Commitments**

Following a comprehensive review of existing reserve fund commitments, staff have identified a total of \$458,027 in previously committed funds that can be released back to the applicable reserve funds.

These funds were identified for release based on a detailed assessment that considered the age of the commitments, the current status of associated projects, and confirmation that the funds are no longer required for their originally intended purposes.

The release of these commitments will restore funding availability within the following reserve funds.

<b>Reserve Fund</b>	<b>Total Commitments to release</b>
Tax Rate Stabilization	378,861
Forestry	31,516
Strategic Land Acquisition	23,216
Culture Initiatives	15,000
Strategic Plan	9,434
<b>Total</b>	<b>458,027</b>

## **Next Steps**

As of June 30th, the City's reserve and reserve fund balances total \$217.4 million. After accounting for the \$90.7 million in existing commitments, the uncommitted balance stands at \$126.7 million. It was identified in the City's recent Asset Management Plan, that the City's \$7.1 billion in capital assets are in good condition but trending to fair. Reserve and reserve funds are a vital component of the City's overall financial framework, providing the flexibility and stability needed to manage unforeseen challenges and fund essential long-term capital infrastructure. It is crucial that Council continues to prioritize investment in these funds to ensure the City remains financially resilient and prepared for future infrastructure demands.

This report represents the first phase of a broader reserve fund review, focused on addressing administrative matters such as the release of fulfilled or inactive commitments and the closure of outdated reserve funds. Staff acknowledge that a more comprehensive, strategic review is required to ensure reserve and reserve fund provisions remain aligned with the City's long-term priorities. As part of the proposed 2026 budget, Staff will recommend the development of a Long-Term Financial Plan for 2027. A key component of that plan will be an in-depth evaluation of the City's reserve and reserve fund strategy to support financial sustainability and the achievement of corporate objectives

---

## **Recommendation Details**

Repeal by-laws 108-1994, 17-2005, 33-2008, 25-2013, 56-2014, 65-2015, 67-2015, 006-2016 and 30-2019 as these reserve funds are obsolete, no longer used or can be consolidated with another reserve fund.

Amend By-law 58-2015 to include Burlington Seniors Centre in the list of recreation facilities that can fund and draw from the reserve fund.

Approve the transfer of reserve fund balances and release of commitments as outlined in report FIN-35-25.

---

## **Key Dates & Milestones**

N/A

---

## Implications

- **Improved Financial Transparency and Accuracy**  
By releasing fulfilled or inactive commitments and closing outdated reserve funds, the City's financial statements and reserve fund balances will more accurately reflect current obligations and available resources.
  - **Enhanced Fiscal Stewardship**  
This administrative clean-up ensures that reserve funds are being actively managed, in alignment with best practices and the City's financial policies. It reinforces accountability and supports responsible financial oversight.
  - **Readiness for Long-Term Planning**  
Completing this initial phase lays the groundwork for a more comprehensive review as part of the planned Long-Term Financial Plan in 2027. It ensures that outdated or redundant items do not obscure future planning efforts or distort funding needs.
  - **Potential Reallocation of Resources**  
Funds released through this process may be reallocated to other reserve funds or priorities, providing greater flexibility to address emerging needs or strategic goals.
- 

## References

- [FIN-29-25 Financial Status Report as of June 30, 2025](#)
- 

## Strategic Alignment

(Select all that apply)

- Designing and delivering complete communities
  - Providing the best services and experiences
  - Protecting and improving the natural environment and taking action on climate change
  - Driving organizational performance
- 

## Author:

Craig Millar  
Chief Financial Officer  
(905) 335-7600 ext.7652  
[craig.millar@burlington.ca](mailto:craig.millar@burlington.ca)

## Appendices:

A. Reserve Fund Summary and balances as of June 30, 2025

B. City of Burlington By-law XX-2025 – A by-law to amend the Facilities and Programs Reserve Fund - Recreation Centres by-law 58-2015

**Draft By-laws for Approval at Council:**

- By-law XX-2025 to amend the Facilities and Programs Reserve Fund - Recreation Centres by-law to Council on October 14<sup>th</sup>, 2025.

**Report Approval:**

All reports are reviewed and approved by the Commissioner, Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.