

Summary of Active Reserves & Reserve Funds

RESERVE FUNDS
Obligatory and Deferred Reserve Funds
Building Permit Surplus
Park Dedication
DC: Development Related Studies
DC: Roads, Sidewalks & Lights
DC: Fire Facilities
DC: Parkland & Recreation
DC: Library Facilities & Material
DC: Water Distribution
DC: Wastewater Sewers
DC: Storm Sewers
DC: St. David's Area-Specific Se
Federal Gas Tax
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Cash-in-Lieu of Parking
Discretionary Reserve Funds
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Library Bequest/Garden
Library Computer
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RESERVES
NOTL Donation
Capital Levy
Roads Improvements
Storm Water Management
Water Capital Improvements
Wastewater Capital Improvements
Sidewalk Improvements
Street Lighting
Irrigation
Fleet Replacement
Capital Variance
Community Centre
Elections
OMB Appeals
Building Vehicle and Equipment
By-Law Vehicle and Equipment
Bridges and Culverts
Contingency
Working Funds
Parking Revenue
Winter Maintenance

RESERVES
Dock Area Improvements
Ontarians with Disabilities
Corporate Studies
Training and Development
Grants and Other
Tax Rate Stabilization
Water Rate Stabilization
Wastewater Rate Stabilization

Inactive Reserves Summary

The following reserves currently have no current or future funds allocated to them. They are excluded from the following section which describe the purpose and funding source of each reserve as they are not actively used in current or future plans. A brief explanation of each is provided in the table below.

INACTIVE RESERVES
Base Mapping – Funding for Aerial Photographs used in GIS and Mapping Programs.
Building Stabilization – Stabilization Reserve for Building Rates
Computer Equipment – Reserve for purchasing computer equipment.
Debt Reduction – Reserve for funding debt.
Economic Development – Reserve for economic development programs.
Fire Vehicle and Equipment – Reserve for the purchase of vehicles and equipment.
Future Facilities – Reserve for the purchase or construction of Town facilities.
Land Acquisition – Reserve for the purchase of land.
Parks and Recreation Equipment – Reserve for the purchase or replacement of equipment.
Public Works Building – Reserve for the maintenance of the Operations Building.
Public Works Equipment – Reserve for the purchase of equipment.

RESERVE FUND & RESERVE EXPLANATION

Reserve Fund Name	Purpose and Use	Funded From	Supports
Building Permit Surplus	<ul style="list-style-type: none"> • Records cumulative operating surpluses to help offset any future potential permit revenue declines or cost increases inherent in economic cycles in the industry • Section 7 of the Building Code Act allows the municipality to levy fees to offset anticipated service costs (limited to the use for Building Code enforcement related activities) 	Building Department Fees – Operating Surplus	Various Operating and capital costs related to Building Code enforcement activities (i.e. plan review, building equipment, property inspections and certain salaries)
Development Charges	<ul style="list-style-type: none"> • Provides funds for the recovery of growth-related capital expenditures from new development (as specified in Development Charges Act, 1997 and Town DC By-Law). • Charged on residential, industrial, commercial, and institutional development at building permit issuance in accordance to Town By-Law • Includes Development Related Studies, Roads, Sidewalks, Lights, Water, Wastewater, Storm, Library and Fire Facilities, Parkland and Recreation, and St. David’s Area Specific 	Development Charge Fees- No accounts in operating budget to show development charge revenues as they are transferred directly to Reserves. Revenue is recognized when funds are spent in accordance with Generally Accepted Accounting Principles as the funds are considered deferred revenues.	Various growth-related capital expenditures (i.e. Debt related to construction of Fire Station, Library e-book service, St. David’s Sanitary Sewer Debt, etc.)

Reserve Fund Name	Purpose and Use	Funded From	Supports
Park Dedication	<ul style="list-style-type: none"> • Funds provided to ensure adequate public spaces for recreation are available- developers are typically required to dedicate a certain amount of land to this purpose. Alternatively, developers may pay up to 5% of the value of the land in lieu of dedicating lands to the Town. • Monies received in lieu of parkland dedication are to be set aside in this reserve fund and are to be spent only for the acquisition of land to be used for parks or other recreational purposes, including the erection and repair of buildings and the acquisitions of machinery for park or other public recreational purposes (as per the Planning Act) 	Fees received from developers. Developers submit appraisals which determine the value of the lands being developed, the fees are determined based on a 5% rate for residential properties and 2% for commercial properties.	Various capital related expenditures. Refer to Appendices from Capital Budget.
Federal Gas Tax	<ul style="list-style-type: none"> • To provide funds that support expenditures for municipal public transportation services, recreation, sport, and tourism (a total of 18 different project categories). • A permanent source of funding provided by the Federal Government to help address the infrastructure deficit, which Municipalities can pool, bank, and borrow against. 	Federal and Provincial Governments originally through the Federal Gasoline Excise Tax, but now through the Consolidated Revenue Fund	Various Capital Projects: Refer to Appendices from Capital Budget

Reserve Fund Name	Purpose and Use	Funded From	Supports
OCIF (Ontario Community Infrastructure Fund)	<ul style="list-style-type: none"> A grant from the Ontario Provincial Government to provide steady, long-term funding for small, rural and northern communities to develop and renew infrastructure. 	Provincial Budget Allocations	Various Capital Projects: Refer to Appendices from Capital Budget
Cash-in-Lieu of Parking	<ul style="list-style-type: none"> Funds received from Developers that are earmarked for developing parking spaces. Section 40 of the Planning Act allows a municipality to accept cash payments from owners or occupants of buildings in lieu of providing parking which otherwise would be required by the applicable Zoning By-Law. 	Developer Fees	Creation of parking spaces.
Discretionary Reserve Fund Name	Purpose and Use	Funded From	Supports
Recreation Enhancement	<ul style="list-style-type: none"> Provides funding for maintenance and enhancement of recreational programs, facilities and equipment Initiated from a bursary where the interest earned is only allowed to be used Limited on utilization- specific recreational enhancements such as sports equipment 	Corporate and/or Recreation Revenues	Operating and/or capital expenditures.
Library Bequest/Garden	<ul style="list-style-type: none"> Donations provided restricted to be used for the maintenance the Library Garden 	Library Donations – Operating Budget	Maintenance of the Library Garden.
Library Computer	<ul style="list-style-type: none"> Funds specifically provided for the use of purchasing and/or maintaining Library computer systems, software and applications 	Library Program Administration - Operating Budget	Library Capital - Computer related items

Discretionary Reserve Fund Name	Purpose and Use	Funded From	Supports
Library Development	<ul style="list-style-type: none"> Funds specifically provided for the use of purchasing and/or maintaining items related to Library programs (i.e. Lab Equipment) 	Library Program Administration - Operating Budget	Library Capital Projects
Library Donations	<ul style="list-style-type: none"> Contributions made to the Library. 	Library Program Administration- Operating Budget	Library Capital Projects
Reserve Name	Purpose and Use	Funded From	Supports
NOTL Donation	All donations for capital projects or operating budget lines are ran through this reserve. Typically fully utilized within one year of their specific purpose.	Donations	Operating and Capital
Capital Levy	The main reserve used for funding capital projects.	Transfer from Operating	Capital Projects
Road Improvements	Surplus funds earmarked for Road Improvement Capital Projects	No current funding source	Capital Projects (none currently planned past 2017)
Storm Water Management	Funds earmarked for Storm Water Capital Projects – currently in a deficit	Special Area Levy	Operating and Capital
Water Capital Improvements	Funds future capital needs for the Town’s water systems	Water User Rates	Water Capital Projects
Wastewater Capital Improvements	Funds future capital needs for the Town’s waste water systems	Waste Water User Rates	Waste Water Capital Projects
Sidewalk Improvements	Funds future capital needs for Town Sidewalks	No current funding source	Capital Projects
Street Lighting	Funds future capital needs for Town Street Lights	Transfer from Operating Levy	Capital Projects
Irrigation	Funds for Irrigation Operations	Irrigation User Fees	Operating projects
Fleet Replacement	Funds future fleet needs in terms of vehicle and large equipment replacements	Transfer from Operating	Capital Projects for vehicle replacements

Reserve Name	Purpose and Use	Funded From	Supports
Capital Variance	Surplus funds from Capital Projects that are used to cover deficits from other capital projects	Surplus Funds from Completed Capital Projects	Capital Projects
Community Centre	Funds community centre operating costs or capital projects	No current funding source	Operating and Capital
Elections	Funds the municipal election every 4 years	Transfer from Operating Levy	Operating
OMB Appeals	Reserve established for potential appeals brought about from the Town's Official Plan.	No current funding source	Operating
Building Vehicle and Equipment	Funds for the replacement of Building Department Vehicles	Building Fees	Capital
By-Law Vehicle and Equipment	To provide funding for replacement and maintenance of existing fleet	By-Law Enforcement Vehicles – Operating Budget	Operating and/or capital related expenditures.
Bridges and Culverts	<ul style="list-style-type: none"> To provide funding for replacement, maintenance, and rehabilitation expenses related to bridges and culverts 	Operating surpluses.	Roads Capital Projects
Contingency	<ul style="list-style-type: none"> To provide funding for unanticipated fluctuations in revenues and/or expenditures in an effort to mitigate the impact on the Operating or Capital budgets (stabilize impacts of cyclical revenue downturns and operating cost increases that are often temporary) 	Operating surpluses.	Operating and/or capital expenditures.
Working Funds	<ul style="list-style-type: none"> To provide funding for unpredictable revenue sources and help in ensuring the Town is meeting cash flow requirements Similar to a contingency reserve- further ensures financial health and stability 	Operating surpluses.	Operating and/or Capital expenditures.

Reserve Name	Purpose and Use	Funded From	Supports
Parking Revenue	<ul style="list-style-type: none"> To provide funding for operating expenditures as required. Helps mitigate impact on operating budget and tax levy by offsetting costs throughout 	Metered parking revenue surplus from operating	Various operating departmental programs throughout (as deemed necessary) and Capital Projects
Winter Maintenance	<ul style="list-style-type: none"> To provide funds for stabilizing the Town's Winter Maintenance Program due to fluctuations in weather vs budgeted amounts Improves control over winter expenditures and the impact on the budget 	Operating surplus.	Winter maintenance program related expenditures.
Dock Area Improvements	<ul style="list-style-type: none"> To provide funds for improvement, enhancement, maintenance or rehabilitation of dock area related expenditures 	Corporate Revenues - Whirlpool Jet Boat Leasing	Operating and capital expenditures related to the dock area.
Ontarians with Disabilities	<ul style="list-style-type: none"> To provide funds for expenditures related to improving/enhancing the Town by making it more accessible for persons with disabilities Helps ensure the Town remains AODA compliant (Accessibility for Ontarians with Disabilities Act) 	Capital reserve (and Accessibility Management in Operating)	Operating and Capital expenditures related to accessibility improvements.
Corporate Studies	<ul style="list-style-type: none"> To provide funds for expenditures associated with studies, reviews, master plans, etc. that is important for policy, analysis, program implementation, and strategy development 	Operating Budget Allocations	Operating and capital expenditures related to studies

Reserve Name	Purpose and Use	Funded From	Supports
Training and Development	<ul style="list-style-type: none"> To provide funds for expenditures relating to training and development of Town staff 	Operating surplus.	Operating expenditures related to Training and Development (i.e. conferences, courses and seminars).
Grants and Other	<ul style="list-style-type: none"> To provide funds for capital expenditures 	Various types of Grants and cost sharing (i.e. Canada 150, Trillium, Niagara Region, etc.)	Capital Projects
Insurance	<ul style="list-style-type: none"> To improve cash flow management by minimizing fluctuations caused by unforeseen insurance related expenditures (i.e. coverage and claims) 	Operating Budget Allocations.	Operating expenditures associated with insurance
Tax Rate Stabilization	<ul style="list-style-type: none"> To improve financial management strategy and enhance long-term sustainability via minimizing fluctuations in tax rate increases and improved management of cash flows 	Operating surplus.	Fluctuations in operating and capital budget caused by unforeseen events, one-time expenditures, revenue short-falls, and or deficits
Water Rate Stabilization	<ul style="list-style-type: none"> To provide funds for water related operating expenditures to help stabilize the water rate as part of the annual budget process, mitigating large rate fluctuations Also funds year-end operating deficits and/or capital related expenditures 	Operating surplus within Water Program.	Operating and Capital expenditures related to Water Programs.
Wastewater Rate Stabilization	<ul style="list-style-type: none"> To provide funds for waste water related operating expenditures to help stabilize the waste water rate as part of the annual budget process, mitigating large rate fluctuations Also funds year-end operating deficits and/or capital related expenditures 	Operating surplus within Waste Water Program	Operating and Capital expenditures related to Waste Water Programs.