

Reserve	Source of Funding	Purpose	Optimum Balance/Rationale for Levels Established	Rules of Use/Source of Funding /Other Considerations
Reserves for Operating Purposes				
Reserves				
Tax Funded Operating Contingency Reserve	No annual contributions	To be used to meet cash flow requirements and unforeseen contingencies through out the year. Reserve will also be used to stabilize tax rate increase.	Target level is 1.5% of previous years operating budget to provide for cash flow requirement plus amount sufficient to fund emergencies, unforeseen events or unrealized revenue.	Council Resolution is required for draw from reserve and reserve is funded through annual operating surplus.
Fire Equipment Reserve	Contributions are received from Fire's Operating Budget	To be used for Fire Equipment in order to mitigate impact on tax base.	No minimum balance is required for this reserve as there are annual budgeted contributions to replenish and to mitigate the impact on the tax base.	Council Resolution is required to draw from the reserve and reserve will continue to be funded through Fire Departments Operating Budget.
Building & Equipment Reserve	Contributions are received from divisional operating budgets such as Facilities, Engineering, Recreation and Corporate Account	Reserve will be used to provide funding for Building and equipment to mitigate impact on Tax base as estimated by Town's Asset Management Plan	No minimum balance is required for this reserve as there are annual budgeted contributions to replenish and to mitigate the impact on the tax base.	Council Resolution is required to draw from the reserve and reserve will continue to be funded through contributions received from divisional operating budgets such as Facilities, Engineering, Recreation and Corporate Accounts.
Land Sales Reserve	Contributions are received from net proceeds of Sale of Town Property	For the Purchase of Town properties, the acquisition of lands, including an interest in lands other than the fee simple interest, for the provision of municipal capital facilities for Caledon and to assist Council in determining whether it is in the public interest to declare Caledon lands as surplus, and to prepare Caledon lands for sale where Council determines that it is in the public interest that the lands be declared to be surplus.	No minimum balance is required for this reserve as it is to be used for noncritical purpose and to mitigate the impact on Tax needs.	Council Resolution is required to draw from the reserve and reserve will continue to be funded through Sale of Town's property. Treasurer is authorized to deposit into the reserve fund all and any net funds received by Caledon as a results of the sale of any lands owned by Caledon and sold as surplus lands, and to authorize expenditures which would assist Council in determining whether it is in the public interest to declare Caledon lands as surplus and expenditures which would prepare Caledon lands for sale where Council determines that it is in the public interest that the lands be declared as surplus lands.
Ice Resurfacer Reserve	Contributions are received through 3% of arena ice rental revenue.	To provide funding for Recreation Equipment	Minimum Balance targeted to replacement of 1 Ice Resurfacer is required to manage unforeseen needs.	Council Resolution is required to draw from the reserve and reserve will continue to be funded through a portion of arena ice rentals
Information Systems and Technology Reserve	Contributions are received from Legislative Services Operating Budget	For software and technology purchases	No minimum balance is required for this reserve as there are annual budgeted contributions to replenish and to mitigate the impact on the tax base.	Council Resolution is required to draw from the reserve and reserve will continue to be funded through contributions received Corporate Services operating budget.
Election Reserve	Contributions are received from Legislative Services Operating Budget	To finance future Town costs to administer municipal election	No minimum balance is required for this reserve as there are annual budgeted contributions to replenish and to mitigate the impact on the tax base.	Council Resolution is required to draw from the reserve and reserve will continue to be funded through contributions received from Legislative Services Operating Budget.
Firefighter Post-Retirement Benefits Reserve	Contributions are received from operating surplus.	This reserve fund has been set up as per Staff Report 2018-025 to award post-retirement employment benefits to eligible full-time firefighters up-to age 65.	Minimum balance equal to most recent actuarial estimate is required. Reserve will be utilized to reduce impact on tax base in any given year.	Council resolution is required to draw from reserve and reserve will continue to be funded through surplus from yearend Operating surplus.

Reserve	Source of Funding	Purpose	Optimum Balance/Rationale for Levels Established	Rules of Use/Source of Funding /Other Considerations
Caledon Public Library Board Donation and Bequests Reserve Fund	Contributions are received from cash donations and funds raised as part of the Caledon Library Board's fundraising strategy.	The Reserve Fund was established to receive and hold donations and bequests received by the Caledon Public Library until utilized to support special programs or initiatives outside of the annual operating budget.	No minimum balance is required for this reserve, the reserve will be utilized to support special programs or initiatives.	Withdrawals or allocations from the Caledon Public Library Board Donation and Bequests Reserve Fund require the authorization of the Caledon Library Board in alignment with the guidelines of the Caledon Public Library Donation and Bequest Reserve Policy that will be adopted for this purpose.
Discretionary				
Winter Maintenance	Contributions are received from annual operating budget as well as any surplus from Winter Maintenance Operating Budget	This reserve has been set up per Council direction to provide winter maintenance funding as needed to offset unusual/severe winter maintenance costs.	Minimum balance of this reserve to be based on 5 years of average winter control cost is required to manage unforeseen needs.	Treasurer is authorized to draw from reserve to be used to offset Deficit in the Winter Maintenance Operating Budget in any given year and be subsequently reported to council in the yearend council report. Reserve will continue to be funded from contribution received from annual operating budget as well as any Winter Maintenance Operating Budget Surplus.
Group Benefit Stabilization	Surplus from Group Benefit Plan budget when available and as provided	This reserve was established in 2011 to mitigate higher health and dental claim payments that may occur in a future year. The Town is self-insured for its benefit plans meaning that it funds the plans at a pre-determined rate based on historical claim patterns. In a given year if we have a large spike in actual claims, this reserve is used to fund these initiatives.	No minimum balance is required for this reserve as it is to be used for noncritical purpose and to mitigate the impact on Tax needs.	Treasurer is authorized to draw from reserve to offset deficit in benefit expenses in any given year and be subsequently reported to council in a year-end council report. Reserve will continue to be funded by surplus from the Group Benefit Plan budgets when available.
Community Improvement Plan	Surplus from Unpaid grants	Established in 2009 to carry forward unexpended Community Improvement Plan funding. To be used for the Caledon East and Bolton Community Improvement Plan areas.	No minimum balance is required for this reserve as it is to be used for noncritical purpose and to mitigate the impact on Tax needs.	Council Resolution is required to draw from reserve and reserve will continue to be funded through favourable variances relating to unpaid grants.
Development Approvals Stabilization	Contributions are received through annual surplus from the Planning process when available	Established in 2011 for the purpose of providing funds for the processing of residential and non-residential subdivisions and condominiums by the municipal development staff.	The optimal balance is four years of costs related to the Development Approval process.	Treasurer is authorized to draw from reserve to offset the Planning and Development deficit in any given year and be subsequently reported to council in a yearend operating report. Reserve will continue to be funded through surplus from the Planning process, of which fees are received under the Municipal Act Fees By-law and Planning Act Fees By-law.
Development Engineering Stabilization	Contributions are received through annual surplus from the Development Engineering Department.	Established in 2021 for the purpose of providing funds for the processing of residential and non-residential subdivisions and condominiums by Development Engineering Department. Fees are collected for subdivision development services and activities that span multiple years, and is highly sensitive to economic trends. The reserve is established to set aside fees collected, which are reallocated to operations when associated work is performed to more accurately match revenues with expenses.	Optimum balance is undetermined - based on forecasted requirements	Treasurer is authorized to draw from reserve to offset the Development Engineering deficit in any given year and subsequently reported to council in a yearend operating variance report. Reserve will be funded through surplus from Development Engineering, of which fees are received under the Municipal Act Fees By-law.

Reserve	Source of Funding	Purpose	Optimum Balance/Rationale for Levels Established	Rules of Use/Source of Funding /Other Considerations
Development Charge Exemptions & Discounts	Contributions are received through annual surplus from Development Charge Exemption & Discounts	Established as part of the 2014 operating budget for the Town's top-up of development charge reserves for future exemptions and discounts.	No minimum balance is required for this reserve as it is to be used for noncritical purpose and to mitigate the impact on Tax needs.	Treasurer is authorized to draw from reserve to offset deficit in any given year and be subsequently reported to council in the yearend council report. Reserve will continue to be funded through surplus from Development Charge Exemption & Discounts.
Obligatory Building Permit Stabilization	Contributions are received through annual surplus from Building Services	This reserve was established from the 2005 implementation of the Building Code Statute Law Amendment Act (Bill 124). The purpose of the reserve is to allow a municipality to stabilize slow years in terms of building activity and permit revenue.	To mitigate any sharp cyclical drops in building activity, minimum balance equal to 1 year of operating budget should be maintained	The Treasurer is authorized to draw from reserve to offset deficit in Building Services division in any given year and be subsequently reported to council in a yearend council report. Reserve will continue to be funded by annual surplus from Building Services.
Heritage Property	Contributions are received through unspent grant monies in annual budget regarding Designated Heritage Property Grant	Established in 2010 for the purpose of accumulating unspent grant monies in annual budgets relating to Designated Heritage Property Grant program and to supplement when required, grants relating to the Designated Heritage Property Grant program exceeding the current year's approved operating budget.	No minimum balance is required for this reserve as it is to be used for noncritical purpose and to mitigate the impact on Tax needs.	Council Resolution is required to draw from reserve and reserve will continue to be funded through unspent grant monies in annual budget in regards to Designated Heritage Property Grant.
Deferred Grant Funds	Contributions are received from unspent grant funds received by the Town	The Reserve Fund was established to receive and hold unspent grant funds received by the Town until utilized to according to the provisions of the applicable grant.	No minimum balance is required for this reserve, the reserve will be utilized according to the applicable grant provisions.	The Treasurer is authorized to draw from reserve to utilize the funds according to the grant provisions in any given year and be subsequently reported to council in a yearend council report. Reserve will continue to be funded by unspent grant funds.
<u>Reserves for Infrastructure Purposes</u>				
<u>Reserves</u>				
Equipment	Contributions are received from Roads & Fleets Operating Budget and proceeds from sale of any Town equipment	Established in 1980 for equipment replacement related to capital fleet equipment.	No minimum balance is required for this reserve as it is to be used for noncritical purpose and to mitigate the impact on Tax needs.	Council Resolution is required to draw from the reserve and reserve will continue to be funded through Roads & Fleet operating contributions and proceeds from sale of equipment
Accessibility (previously tax rate stabilization)	Contributions are received from Corporate Accounts Operating Budget.	The balance of the funds in this reserve relate to accessibility contributions and will be used for accessibility issues.	No minimum balance is required for this reserve as it is to be used for noncritical purpose and to mitigate the impact on Tax needs.	Council Resolution is required to draw from the reserve and reserve will continue to be funded through operating contributions from Corporate Accounts Operating Budget.
Animal Shelter	Will be funded from Animal Shelter's Operating Budget and donations from the public.	This reserve was established by the Town to carry out the requirements to manage the funds received for the Shelter being held for future animal care.	No minimum balance is required for this reserve as it is to be used for noncritical purpose and to mitigate the impact on Tax needs	Council Resolution is required to draw from the reserve and reserve will continue to be funded through Animal Shelter's operating budget and donations received.
Transit	Currently no annual contribution.	To be used to support the CCS' Transportation Program and Town of Caledon Transit needs.	No minimum balance is required for this reserve as it is to be used for noncritical purpose and to mitigate the impact on Tax needs	Council Resolution is required to draw from the reserve.

Reserve	Source of Funding	Purpose	Optimum Balance/Rationale for Levels Established	Rules of Use/Source of Funding /Other Considerations
Corporate Energy	Contributions are received from Microfit revenue and repayment from various Operating Budgets in regards to retrofit project resulting in energy savings.	Established in 2008 to be used for Town Hall energy Efficiency retrofits.	Minimum balance of \$50,000 is required for this reserve for potential repair and decommission of solar panels in 2032. Reserve is to be used to support the Town in meeting the aggressive energy and greenhouse gas emissions reduction targets as outlined in the Council approved Corporate Greenhouse Gas Reduction Framework.	Council Resolution is required to draw from the reserve and reserve will continue to be funded through allocation from Microfit revenue, energy savings grant and contribution received from various operating budget in regards to retrofit projects.
Fitness Equipment Replacement	Contributions are received from 5.5% of Fitness membership revenue.	This reserve was establish to provide funding for future replacement of fitness equipment without requesting additional funding from the tax base.	No minimum balance is required for this reserve as it is to be used for noncritical purpose and to mitigate the impact on Tax needs	Council resolution or approved budget required for draw and reserve will continue to be funded through 5.5% of fitness membership revenue.
Tax Funded Capital Contingency Reserve	Contributions are received through savings on tax funded capital projects as well as through yearend operating surplus	Established to set aside funding for replacement of Town capital infrastructure.	The targeted minimum balance is \$2,000,000; reserve will be utilized to provide emergency asset repair, fund asset replacement and to stabilize tax program.	Council resolution is required to draw from reserve unless it is to fund procurement under the emergency provisions of the Town's Purchasing By-law and reported to council subsequently. Reserve will continue to be funded from surplus arising from yearend surplus.
Discretionary Capital Asset Replacement Fund (previously Caledon Hydro)	Contributions are received from annual operating budget allocations for repayment of infrastructure repairs and replacement	This reserve was establish are to be used for infrastructure repairs and replacements, the shortfall in the Debt Retirement Reserve Fund and to cash flow the capital program.	Targeted balance is equal to gap between previous year's tax capital and proposed target as result of preliminary Asset Management Plan. Reserve will be utilized to stabilize tax program.	Council resolution is required to draw from reserve and reserve will continue to be funded through annual operating budget. Draws above and beyond the annual contributions will be repaid so that the reserve is not depleted.
Northwest Caledon Indoor Recreation Facility	Contributions are received from annual operating contribution from recreation	This reserve fund was established in 2014 as per Council resolution 2014-100. This is a capital reserve fund for the building of an indoor recreation facility in northwest Caledon to meet community needs resulting from the closure of the Caledon Central Pool.	No minimum or maximum balance is identified, reserve will be utilized to reduce impact on tax base in any given year.	Council resolution is required to draw from reserve and reserve will continue to be funded through recreation's operating budget.
Cash in Lieu of Parking	Contributions are received from Payments in lieu of parking fees	This reserve was establish per Council direction to provide funds to address the issue of parking in downtown Bolton.	No minimum or maximum balance is identified, reserve will be utilized to reduce impact on tax base in any given year.	Council resolution is required to draw from reserve and reserve will continue to be funded through payment in lieu parking fees. The use and collection of this reserve fund is restricted by By-law 2002-151.
Roads Capital	Contributions are received from Heavy Truckload Fees	This reserve was established for the purpose of providing funds for the repair and rehabilitation of Caledon roads resulting from the use of the roads for repeated delivery of fill for private purposes by heavy trucks.	Minimum Balance targeted to replacement of 1 km of Urban Reconstruction is required to mitigate pressure on Tax base and to provide emergency repair/replacement of Town's Road.	Council resolution is required to draw from reserve and reserve will continue to be funded through Heavy Truckload Fee revenue.
Broadband	Contributions are received through surplus from broadband levy.	This reserve was established for purpose of providing Broadband through Town of Caledon	No minimum or maximum balance is identified, reserve will be utilized to reduce impact on tax base in any given year.	Council resolution is required to draw from reserve and reserve will continue to be funded through surplus from broadband levy reserve.

Reserve	Source of Funding	Purpose	Optimum Balance/Rationale for Levels Established	Rules of Use/Source of Funding /Other Considerations
Comprehensive Adaptive Management Plan (CAMP) Agreement	Contributions are received from CAMP Fees	This reserve was established for purpose of providing funds for equipment, services, and the environmental monitoring to be performed by Caledon as required by the Comprehensive Adaptive Management Plan for Mayfield West Phase 1.	No minimum or maximum balance is identified, to be used for annual CAMP monitoring.	Council resolution is required to draw from reserve and reserve will continue to be funded through CAMP Fees.
Obligatory				
Canada Community-Building Fund (previously Federal Gas Tax)	Contributions are received as per agreement with Association of Municipalities of Ontario and Region of Peel	This reserve fund was established as per the agreement between the Town and The Association of Municipalities of Ontario for transfer unspent/uncommitted Canada Community-Building Fund (previously Federal Gas Tax) Revenues to reserve and to be used for future capital work.	No minimum or maximum balance is identified, reserve will be utilized to reduce impact on tax base in any given year.	Council resolution is required to draw from reserve and reserve will continue to be funded through Canada Community Building Fund (previously Federal Gas Tax Revenue).
Provincial Gas Tax - Transit	Contributions are received as per agreement with the Province of Ontario.	This reserve fund was established as per the agreement between the Town and The Province of Ontario for transfer unspent/uncommitted Federal Gas Tax Revenues to reserve and to be used for future transit work.	No minimum or maximum balance is identified, reserve will be utilized to reduce impact on tax base in any given year.	Council resolution is required to draw from reserve and reserve will continue to be funded through Provincial Gas Tax -Transit Revenue.
Payment In Lieu of Parkland	Contributions are received from Cash in Lieu of Parkland Fees	This reserve fund has been set up as per Provincial legislation and it is restricted to its use by Provincial legislation, to be used for purchase of land used for recreational purposes, expenditures to fund the development of newly acquired lands for parkland and recreational use, to support the redevelopment of existing parks and recreational facilities, and to fund the non-growth component of growth-related capital projects for Parks Development and Recreation Facilities identified in the Town's Development Charges Background Study.	No minimum or maximum balance is identified, reserve will be utilized to reduce impact on tax base in any given year.	Council resolution is required to draw from reserve and reserve will continue to be funded through Cash In Lieu Parkland fees. The use and collection of this reserve fund is restricted by By-law 2006-157.
Development Charges	This reserve funds are comprised of development charges received through registered plans of subdivision and through individual land severances.	The reserve funds have been set up as per the <i>Development Charges Act, 1997</i> (DCA) and it is restricted to its use	No minimum or maximum balance is identified, reserves are utilized for capital projects identified in the Development Charges Background Study.	The uses for these reserve funds are restricted by Town of Caledon By-law 2019-31 and the (DCA). The Treasurer is authorized to issue payments from these reserves for the utilization of credits if Development Charges were received from the applicable developer to the Town in advance of the DC claims being approved by the Town as per the Development Charge Credit agreement. This will assist the Town in effectively administering the Town's Mayfield West II Financial Agreement.

Interest will be allocated to Obligatory reserves as required and then all other Reserves pending the Town's year-end surplus. Town will not go into deficit due to reserve interest allocation. Remaining surplus after Interest allocation will be allocated to underfunded reserves as recommended by Town Treasurer.