

SCHEDULES: By-law Number 2021-046

Schedule Reference:	NI7
Reserve Fund Category:	Growth & New Infrastructure
Reserve Fund Name:	Canada Community-Building Fund
Financial Statement Location:	Deferred Revenue (Obligatory Reserve Fund)

Since 2005, Ontario municipalities are annually apportioned a share of Federal Gas Tax Revenues through a periodic agreement between the Association of Municipalities of Ontario (AMO) and the Federal Government of Canada (the "Agreement"), with the determination of the allocation amongst municipalities being the responsibility of AMO. Such funds are to be held in a separate account of the municipality until expended. The federal Gas Tax Fund was renamed the Canada Community-Building Fund in March, 2021 by the Federal Government.

The Canada Community-Building Fund Reserve Fund (the "Fund") is hereby established to receive and hold annual or periodic allocations of federal gas taxes received by the Township. Funds are to be used only for purposes allowed by the agreement, which includes spending for the construction of certain new infrastructure, special projects, and rehabilitation or replacement of certain municipal assets, infrastructure or facilities, and certain qualified special projects, as set out in the contribution agreements from time to time.

Contributions will occur at the time of payment of such amounts. Fund balances will earn and retain annual interest allocations as determined annually by the Treasurer.

There is no target balance for this account. Allocations of balances in the Fund will be planned for specific projects and purposes as approved by Council during the annual budget process or other times throughout the year, or made as part of the year-end accounting processes as reported to Council for approval by the Treasurer.

Given the statutory requirements regarding these funds, Council may not direct any transfer or use of funds for purposes not in compliance with the Agreement. Annual reports to AMO on the reserve balances and uses of funds details are required by the Agreement.

As required by statute and by Public Accounting Standards Board requirements, Gas Tax/Canada Community-Building Funding amounts received but unspent are to be considered Deferred or Unearned Revenues, and must appear in the Liabilities section of the Township's annual financial statements.

The Fund is hereby established arising from the renaming of the existing Gas Tax reserve fund account G/L # 03-02-0425-1354 and balance.