



**RESERVE AND RESERVE FUND POLICY F.1.13  
CORPORATE SERVICES DEPARTMENT**

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**RESERVE NAME:** Water Rate Stabilization

**RESERVE ACCOUNT #:** G-R18-WATR-0000

**PURPOSE:**

- To mitigate user rate changes during preparation of the annual operating budget and to protect the City against any unanticipated expenditures of an operating nature.
- This reserve would also be used to fund any unanticipated deficits that may occur in the fiscal year.

**TARGET BALANCE:**

- Minimum balance of 5% of the user rate Water expenditure budget, maximum balance not to exceed 10% of the user rate Water expenditure budget.
- Once maximum target has been met, surpluses to be reallocated to the Water Capital Reserve Fund.

**FUNDING SOURCES:**

- Planned contributions from the Operating budget.
- Year-end net operating surplus of Water division up to reserve maximum, then balance to Water Capital Replacement Reserve Fund.

**UTILIZATION OF FUNDS:**

- Planned contributions to fund Operating expenses.
- Funding of Water Fund year-end operating deficit.
- Transfers to Water Capital Reserve Fund.



## **RESERVE AND RESERVE FUND POLICY F.1.13 CORPORATE SERVICES DEPARTMENT**

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**RESERVE NAME:** Wastewater/Sanitary Rate Stabilization

**RESERVE ACCOUNT #:** G-R18-WWTR-0000

**PURPOSE:**

- To mitigate user rate changes during preparation of the annual operating budget and to protect the City against any unanticipated expenditures of an operating nature.
- This reserve would also be used to fund any unanticipated deficits that may occur in the fiscal year.

**TARGET BALANCE:**

- Minimum balance of 5% of the user rate Wastewater/Sanitary expenditure budget, maximum balance not to exceed 10% of the user rate Wastewater/Sanitary expenditure budget.
- Once maximum target has been met, surpluses to be reallocated to the Water Capital Reserve Fund.

**FUNDING SOURCES:**

- Planned contributions from the Operating budget.
- Year-end operating surplus of Wastewater/Sanitary division up to reserve maximum, then balance to Wastewater/Sanitary Capital Replacement Reserve Fund.

**UTILIZATION OF FUNDS:**

- Planned contributions to fund Operating expenses.
- Funding of Wastewater/Sanitary Fund year-end operating deficit.
- Transfers to Wastewater/Sanitary Capital Reserve Fund.



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**RESERVE NAME:** HR Salary Contingency

**RESERVE ACCOUNT #:** G-R18-HRCO-0000

**PURPOSE:**

To fund significant or unbudgeted human resources costs including legal fees, recruitment termination costs, costs to backfill vacant positions, etc. and to be used as required in a given year to bridge timing until the upcoming budget year for new positions approved in the year as required.

**TARGET BALANCE:**

- Minimum balance \$75,000.
- Target balance 1.5% of the total annual municipal employee full-time and part-time salaries/wages expense budget.

**FUNDING SOURCES:**

- Planned contributions from the Operating budget if/as included in the annual approved budget.
- Up to 25% of any annual surplus due to staffing vacancies (determined from salaries/wages account).

**UTILIZATION OF FUNDS:**

Transferred to General Fund for unplanned or unusual expenditures relating to employee compensation or other Human Resources functions as identified by the department Director and Chief Administrative Officer.



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**RESERVE NAME:** Capital – Facilities

**RESERVE ACCOUNT #:** R-R11-FACI

**PURPOSE:**

- To fund capital projects and lifecycle activities of City Facility infrastructure, including building components and any related studies, design and engineering.

**TARGET BALANCE:**

- Maximum balance as determined by the 10-year capital forecast needs for City funding.

**FUNDING SOURCES:**

- Planned contributions from the Operating budget.
- Proceeds of disposition on sale of City facilities unless otherwise utilized in the budget process.

**UTILIZATION OF FUNDS:**

- Planned contributions to fund Capital projects.



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**RESERVE NAME:** Capital – Parks, Cemetery and Recreation

**RESERVE ACCOUNT #:** R-R11-RECR

**PURPOSE:**

- To fund capital projects and lifecycle activities related to parks, cemetery and recreation equipment, including infrastructure required to maintain parks and cemetery lands and building components, and any related studies, design and engineering.

**TARGET BALANCE:**

- Maximum balance as determined by the 10-year capital forecast needs for City funding.

**FUNDING SOURCES:**

- Planned contributions from the Operating budget.
- Proceeds of disposition on sale of assets unless otherwise utilized in the budget process.

**UTILIZATION OF FUNDS:**

- Planned contributions to fund Capital projects.



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TO BE CLOSED AND ANY BALANCE TRANSFERRED TO THE R-R11-RECR FUND



## **RESERVE AND RESERVE FUND POLICY F.1.13 CORPORATE SERVICES DEPARTMENT**

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**RESERVE NAME:** Capital – Water

**RESERVE ACCOUNT #:** R-R11-WATR

**PURPOSE:**

- To fund Water capital projects as identified in the current Water and Wastewater/Sanitary Rate Study, and as described in the 10-year capital plan of the City.

**TARGET BALANCE:**

- As set out in the current Water and Wastewater/Sanitary Rate Study.
- Minimum balance to be no less than the average annual capital expenditures as outlined in the City's capital budget and forecast plus \$500,000 to allow for unplanned items not expressly outlined in the 10-year forecast or asset management plan documents. Maximum balances not to exceed two-years of average annual capital forecast plus \$500,000 as determined by 10-year capital forecast need for City funding.

**FUNDING SOURCES:**

- Planned contributions from the Operating budget.
- Balance of year end Water division surplus when Stabilization Reserve balance has been achieved.
- Proceeds of disposition on sale of Water assets unless otherwise utilized in the budget process.

**UTILIZATION OF FUNDS:**

- Planned contributions to fund Capital projects.



## **RESERVE AND RESERVE FUND POLICY F.1.13 CORPORATE SERVICES DEPARTMENT**

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**RESERVE NAME:** Capital – Wastewater/Sanitary

**RESERVE ACCOUNT #:** R-R11-WWTR

**PURPOSE:**

- To fund Wastewater/Sanitary capital projects as identified in the current Water and Wastewater/Sanitary Rate Study, and as described in the 10-year capital plan of the City.

**TARGET BALANCE:**

- As set out in the current Water and Wastewater/Sanitary Rate Study.
- Minimum balance to be no less than the average annual capital expenditures as outlined in the City's capital budget and forecast plus \$500,000 to allow for unplanned items not expressly outlined in the 10-year forecast or asset management plan documents. Maximum balances not to exceed two-years of average annual capital forecast plus \$500,000 as determined by 10-year capital forecast need for City funding.

**FUNDING SOURCES:**

- Planned contributions from the Operating budget.
- Balance of year end Wastewater/Sanitary division surplus when Stabilization Reserve balance has been achieved.
- Proceeds of disposition on sale of Wastewater/Sanitary assets unless otherwise utilized in the budget process.

**UTILIZATION OF FUNDS:**

Planned contributions to fund Capital project