

TOWNSHIP OF ADMASTON/BROMLEY
FINANCE & ADMINISTRATION COMMITTEE

AGENDA

October 20, 2023

At 2:30 pm

1. Call meeting to order
2. Declaration of Pecuniary Interest
3. Approval of Agenda
4. Approval of Minutes
 - i. September 15, 2023
5. Reserve and Restricted Reserves Report
 - i. Draft Reserve and Restricted Reserves Policy
6. Closed Session – As per Section 239 (b) and (d) of the Municipal Act, 2001:
personal matters about an identifiable individual, including municipal or local board employees
and
labour relations or employee negotiations.

More specifically to discuss – Full-Time Employment Opportunity
7. Next meeting – to be determined
8. Adjournment

TOWNSHIP OF ADMASTON/BROMLEY
FINANCE AND ADMINISTRATION COMMITTEE

MINUTES

Friday, September 15, 2023

At 10:00 a.m.

Present – Michael Donohue, Angela Field, Kevin LeGris, Keith Gourley and Brian Hamilton.

Staff present – Jennifer Charkavi, Kelly Coughlin.

1. Michael Donohue called the meeting to order at 10:00 am.
2. Declaration of Pecuniary Interest – None.
3. Approval of Agenda – September 15, 2023

Resolution No. 01/09/23

Moved by Keith Gourley

Seconded by Brian Hamilton

BE IT RESOLVED that the Committee approve the agenda for the September 15, 2023, Finance and Administration Committee meeting.

“Carried”

4. Adoption of Minutes – August 18, 2022

Resolution No. 02/09/23

Moved by Brian Hamilton

Seconded by Keith Gourley

BE IT RESOLVED that the Finance & Administration Committee adopt the minutes from the Combined Budget Meetings held on April 17, 28 and May 5, 2023.

“Carried”

5. COLA Adjustment - 2024

Treasurer-Deputy CAO/Clerk Coughlin presented the COLA report to Committee. Staff are recommending a 4% COLA adjustment for 2024. Staff also recommended to Committee to include a minimum of 1% to a maximum of 4% be the COLA adjustment going forward, noting that COLA will still be approved by Council every year at this time. By including such a policy staff have a starting point for payroll forecasting for the budget process.

Committee discussed the COLA report and set aside the motion until after the closed session as the Group Benefits would be discussed at that time and that discussion may affect the COLA recommendation.

6. Employment By-Law

Treasurer-Deputy CAO/Clerk presented the updates staff are recommending to the Employment By-law. Changes included Public Works staff being compensated for the renewal of their licensing fees as these are a condition of employment and staff feel this should be covered. Another change is the addition of Dependent Life Insurance, Short-Term Disability Sick Leave and a COLA Policy.

Committee discussed the changes. Committee suggested that should an employee leave the Township within 12 weeks of compensation for license renewals that the employee shall pay the costs back to the Township.

Committee set aside the motions until after the closed session as the Employment By-Law is affected by the Group Benefits discussion that will take place in Closed Session.

7. Grader Financing

Treasurer-Deputy CAO/Clerk Coughlin reviewed the Grader Financing Options and recommended moving forward with Infrastructure Ontario as the length of the loan is more desirable and the interest rate is much better.

Committee discussed the amount to borrow.

Resolution No. 03/09/23

Moved by Keith Gourley

Seconded by Brian Hamilton

BE IT RESOLVED that the Finance & Administration Committee receive the Grader Financing Options report as information as submitted and circulated;

AND FURTHER THAT the Finance & Administration Committee provide staff direction on which financing option they would like brought forward to Council for Consideration.

“Carried”

Resolution No. 04/09/23

Moved by Keith Gourley

Seconded by Kevin LeGris

BE IT RESOLVED that Committee direct staff to reduce the grader debenture amount to \$461,000 by reducing our reserves to accommodate.

“Carried”

8. Fees & Charges By-law

Treasurer-Deputy CAO/Clerk Coughlin reviewed the Fees & Charges By-Law report. Staff used neighbouring municipalities, Bonnechere Valley, Horton, Renfrew and McNab/Braeside as comparators. Staff outlined that all planning fees will now be tied to the County of Renfrew's Fees and Charges by-law to ensure that the Township is collecting the correct amount of money owed. Staff also noted changes to the Municipal Tax Sales noting the amount should be actual cost recovery and not an amount, this will ensure that the Township is not left with outstanding dues that are not being paid.

Committee discussed the changes and requested more information on why towers are noted in the fees and charges as they are federally regulated. Committee noted that only the grader could be rented and that the remainder of the equipment should be removed. Committee also requested that the dog tags be increased by \$5 for each as they have not been increased in many years.

Committee was satisfied with all other fees and charges listed.

Resolution No. 05/09/23

Moved by Brian Hamilton

Seconded by Keith Gourley

BE IT RESOLVED that the Finance & Administration Committee receive the Fees & Charges Comparison report as information as submitted and circulated;

AND FURTHER THAT the Finance & Administration Committee provide staff direction on the proposed Fees & Charges presented in the attached report so that information can be brought forward to Council for consideration.

“Carried”

Resolution No. 06/09/23

Moved by Brian Hamilton

Seconded by Keith Gourley

BE IT RESOLVED that the Finance & Administration Committee raise the dog fees by \$5.00 for each section.

“Carried”

9. 2024 Budget Timelines

Treasurer-Deputy CAO/Clerk Coughlin reviewed the budget process for 2024. The budget process will begin in December with presentations from departments, then in January the budget deliberations will take place followed by the adoption of the budget in February 2024. These timelines are important to ensure that staff know their budgets for each year and can begin ordering product.

Staff have reached out to the departments to get their budgets in order and ready for discussion. Committee requested that the Recreation Committees also be reached out to communicate these new timelines.

Committee recessed at this time. 12:25 pm.

Committee resumed at 1:00 pm.

10. Closed Session – Employee Group Benefits

Resolution No. 07/09/23

Moved by: Angela Field

Seconded by: Kevin LeGris

BE IT RESOLVED THAT the Finance & Administration Committee move into a Closed Session at 1:00 pm.

As per Section 239 2 (d) of the Municipal Act – Labour Relations and Employee Negotiations.

More specifically to discuss Employee Group Benefits.

“Carried”

The Finance & Administration Committee rose from Closed Session and passed the following resolutions:

Resolution No. 08/09/23

Moved by: Kevin LeGris

Seconded by: Angela Field

BE IT RESOLVED THAT the Finance & Administration Committee receive the Group Benefits report as information as submitted and circulated;

AND FURTHER THAT the Finance & Administration Committee provide staff direction to bring a recommendation forward for Council consideration to adopt the changes to the group benefit package.

“Carried

Resolution No. 09/09/23

Moved by: Brian Hamilton

Seconded by: Keith Gourley

BE IT RESOLVED THAT the Finance & Administration Committee receive the Employment By-Law updates as information;

AND FURTHER THAT the Finance & Administration Committee provide staff direction to amend the employment by-law to include the revisions as stated and amended in this report and bring forth to a future council meeting.

“Carried”

Resolution No. 10/09/23

Moved by: Keith Gourley

Seconded by: Brian Hamilton

BE IT RESOLVED as a condition of employment, employees shall be reimbursed for their licensing renewal fees as well as any fees related to their required physicals;

FURTHER MORE Employees will only be reimbursed fi they remain on staff 12 weeks post training, otherwise they must pay the fees back to the township.

“Carried”

Resolution No. 11/09/23

Moved by: Keith Gourley

Seconded by: Brian Hamilton

BE IT RESOLVED THAT the Finance & Administration Committee receive the 2024 COLA adjustment report as information submitted and circulated;

AND FURTHER THAT the Finance & Administration Committee provide staff direction on the COLA adjustment to be brought forward for Council consideration at 2% for 2024;

AND FURTHER THAT the Finance & Administration Committee recommend to Council to direct to amend the employment by-law to include a provision outlining COLA adjustment formula and calculations to be used going forward as stated in this report.

“Carried”

8. Adjournment

Resolution No. 12/09/23

Moved by: Kevin LeGris

Seconded by: Angela Field

BE IT RESOLVED that the Friday, September 15, 2023 Township of Admaston/Bromley Finance and Administration Committee meeting be adjourned 2:55 p.m.

“Carried”

Chair

CAO/Clerk

Township of Admaston/Bromley

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Renfrew, ON

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REPORT

Date: October 20, 2023
To: Finance & Administration Committee
From: Kelly Coughlin
Re: Reserve & Restricted Reserve Policy

Background:

During the 2023 Budget deliberations staff identified the importance of reserves and identified concerns regarding the existing reserve balances. The Township does not currently have a reserve policy. Council directed staff to prepare a policy and bring it back to the committee for discussion.

Discussion:

The primary purposes of the Reserves and Restricted Reserves Policy is to:

- Address legislative requirements;
- Manage long term infrastructure needs and provisions for major capital expenditures;
- Assist with unexpected or unpredicted events or extraordinary expenditures;
- Address risk and promote financial stability and flexibility;
- Fund projects in a responsible manner to better manage long-term impact to ratepayers;
- Reduce costs by limiting the need for debt to fund infrastructure projects and incur related interest expenses.

It also goes hand in hand with asset management planning.

In 2009, the province made a drastic change to how municipalities financial statements were to be presented. This change required municipalities to recognize their tangible capital assets (TCA's). At the same time, the province identified the need for municipalities to start working towards preparing and developing / adopting Asset

Management plans. Since then, there has been tremendous focus on Asset Management Plans.

In December 2017, O.Reg 588/17 was made under the Infrastructure for Jobs and Prosperity Act, 2015. This regulation required that municipalities prepare a strategic asset management policy that includes the municipalities goals, policies and plans that support asset management planning. The plan must group assets by asset category, outline the current level of service being provided and the current performance for each asset category. In addition, the plan must include estimated replacement cost for each asset category, the average age of the assets and a description of the municipalities approach to condition assessments.

The plan must evaluate current levels of service and establish proposed performance for each asset category. The plan must provide options for lifecycle activities to maintain current levels of service and options to achieve target service level, as well as identify the risk associated with each option.

Asset Management Plans is one of the source document municipalities use to assist with asset replacement program. It identifies how much municipalities should be spending annually to maintain existing levels of service and / or how much should be spent to achieve higher targets. The plan must identify any funding gaps to achieve the target levels of service and possible sources of funding.

Municipalities have seen a continuous decline in funding traditionally received from other levels of government over the past decade. As a result, municipalities are having to find other sources of funding to offset that funding shortfall. The primary source is municipal taxation. The province has also been encouraging municipalities to establish capital asset replacement reserves or lifecycle reserves to help address this funding gap.

This messaging is also being echoed in grant funding applications. There has been a growing trend that grant applicants must not only provide copies of current asset management plans, they must demonstrate their commitment to the importance of lifecycle reserves and their annual contributions to reserves in order to be successful in obtaining funding.

Financial Implications:

The 2022 Asset Management Plan adopted by the Finance & Administration Committee identified total replacement cost of the township assets to be estimated at \$37.1 million dollars. The total amount in reserves as of December 31, 2022 was \$682,836.25 (exclusive of Capital WIP reserve). This difference identifies a significant funding gap.

People Consulted:

Jennifer Charkavi - CAO/Clerk

Committee Recommendation:

BE IT RESOLVED THAT the Finance & Administration Committee receive the Reserve and Restricted Reserve report as information as submitted and circulated;

AND FURTHER THAT the Finance & Administration Committee provide staff direction on the proposed Reserve and Restricted Reserve Policy in the attached report so that information can be brought forward to Council for consideration.

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POLICY STATEMENT:

Reserves and Restricted Reserves are a critical component to establish/ assist with long-term financial strategies for the Township and are used to maintain a stable financial position, all the while ensuring good financial and cash management to minimize fluctuations in the tax rate and support future cash requirements. They are funded through annual contributions from the operating budget, year-end operating surpluses, and external funding sources.

Limited and decreasing provincial and federal funding assistance programs have created a large infrastructure-funding gap. A Reserve and Restricted Reserve Policy is a critical component to ensure the Township's financial sustainability over the long-term.

This policy will establish guiding principles, primary objectives, key management and administrative responsibilities, and standards of care for Reserves and Restricted Reserves managed by the Municipality.

The primary purposes of the Reserves and Restricted Reserves Policy is to:

- Address legislative requirements;
- Manage long term infrastructure needs and provisions for major capital expenditures;
- Assist with unexpected or unpredicted events or extraordinary expenditures;
- Address risk and promote financial stability and flexibility;
- Fund projects in a responsible manner to better manage long-term impact to ratepayers;

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- Reduce costs by limiting the need for debt to fund infrastructure projects and incur related interest expenses.

OBJECTIVE:

The objective of this policy is to prescribe the value of monies of the Reserves and Restricted Reserves that should be set aside annually to meet the long-term goals of the Township and ensure that those funds will be available when needed. It is also intended to set out the principles and guidelines for the establishment, intention, maintenance, management and accounting treatment of Reserves and Restricted Reserves. A Reserve is unrestricted and is discretionary. Its primary source of revenue is the annual operating budget and any surplus at year end. A Restricted Reserve is segregated and restricted to meet a specific purpose as defined by provincial legislation, a municipal by-law or agreement and are referred to as obligatory reserves.

The principal issues in accounting for Reserves and Restricted Reserves are that they are the main funding source for capital budgets for either replacement of current assets or purchases of new assets. There are many instances when using Reserves or Restricted Reserves is appropriate, including;

- Facilitate long term financial planning
- Smooth tax rate impacts/cash flow
- Provide for equipment and facility replacements

The Municipal Act, 2001 Section 417 allows for the establishment of reserves and outlines the requirements regarding procedure to allow for the use of. A municipality may establish Restricted Reserves and may pass by-laws to authorize expenditures from those funds.

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SCOPE:

This policy will cover all Reserves and Restricted Reserves for the Township. It will establish the roles and responsibilities of administrators and identify the procedures for managing the Reserves and Restricted Reserves.

Reserves should be limited to amounts which meet the estimated liability of the Township while taking into consideration the use of estimates and economic factors.

As outlined in the Municipal Financial Reporting for Ontario (FIR) all increases and decreases in Reserves must be reported as to or from Reserves and are part of the municipal equity on the balance sheet. All interest accrued on reserves will be recognized as earned when received except at year end, interest will be accrued. Interest earned on reserves is recorded as part of the annual operating revenues. Interest earned on Restricted Reserves is accrued and recorded annually as income for each Restricted Reserve. Restricted Reserves require either a bank account and/or investment.

RESPONSIBILITY:

All new reserves and reserve transactions must be authorized by Council through the annual budget process. In-year transactions not approved during the annual budget process require authorization through a resolution of Council and reported as defined in the Township procedural by-law.

This policy applies most notably to the Treasurer, Deputy Treasurer, and all other Municipal employees who are responsible for the establishment, monitoring,

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administration, and management of the municipalities Reserves and Restricted Reserves. Upon approval of the budget, corporate policies and/or Council resolution, the Treasurer has the sole authority to perform transfers to and from Reserves and Restricted Reserves.

Reserve and Restricted Reserves must be investing in accordance with any Township's investment policy, as amended. Interest can be allocated to Reserve and Restricted Reserves where it is appropriate to make an inflation adjustment of their balances. Interest will be allocated to Reserves and Restricted Reserves if statute/legislation requires.

Municipal Council:

Municipal Council shall:

- a) In accordance with the Municipal Act 2001, Section 224 develop and evaluate policies, ensure that administrative policies, practices and procedures and controllership policies, practices and procedures are in place and maintain the financial integrity of the municipality.
- b) Approve transactions to and from Reserves and Restricted Reserves through the budget process or by specific resolution (for Reserves) and by-laws (for Restricted Reserves).
- c) Establishment of Reserves and Restricted Reserves. Council approval must be granted prior to the formation and dissolution of any Reserve or Restricted Reserve. All new Reserve or Restricted Reserves must be included in this policy.

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Chief Administrative Officer/Clerk:

The Chief Administrative Officer shall:

- a) Support the Treasurer in ensuring the principles and mandatory requirements contained in this policy are applied consistently across all Township departments.

Treasurer:

The Treasurer shall:

- a) Develop and update this policy as necessary and present changes to Council;
- b) Ensure that the principles and requirements contained in this policy are applied consistently across all departments;
- c) Perform the transfers to and from Reserves and Restricted Reserves as authorized by Council;
- d) Recommend strategies for the adequacy of Reserve levels; and
- e) Report to Council

Department Directors:

- a) Provide the Treasurer with the most current capital asset information to be used in the assessment of the adequacy of capital lifecycle reserves;
- b) Inform the Treasurer when Reserve or Restricted Reserve transfers are required; and

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- c) Consult with the Treasurer when Reserve or Restricted Reserve expenditures are required, for unbudgeted transactions.

DEFINITIONS:

“Council” means the Council for The Township of Admaston / Bromley.

“Draw Down” is the utilization of funds from a Reserve or Restricted Reserve to pay for Council authorized expenditures.

“Reserve” These reserves are often referred to as Discretionary Reserves. In general, a reserve is an allocation of accumulated net revenue. Reserves are part of the general revenues and do not earn interest on their own. Any earnings derived from investment of reserves’ money are reported as general revenue-fund earnings. Funds held in a reserve can be utilized at the discretion of the Council, subject to the parameters defined in the Reserve policy when established. The annual budget shall set out the estimated portion of revenues considered necessary to be paid into Township Reserves and Restricted Reserves.

“Restricted Reserves” These reserves are often referred to as Obligatory Reserves. A Restricted Reserve is created when a provincial statute requires that revenue received for special purposes be segregated from the general revenues of a municipality. Revenue may come from investment income and higher levels of government. As per statute or legislation requirements, all earnings derived from investment of the Restricted Reserves must form part of the Restricted

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Reserve and are to be used solely for the purpose prescribed for them by statute. For financial statement purposes, all Restricted Reserves are classified as Deferred Revenue under the liability section of the Consolidated Statement of Financial Position until all conditions to recognize the funds as revenue are met.

“Target Reserve Levels” Each reserve shall identify the methodology to be utilized to determine the level of the reserve; the target level for the reserve, how the reserve is replenished or terminated, and such method may be as established through maintenance/replacement programs.

Every attempt will be made during annual budget deliberations to maximize transfers to reserves to achieve target reserve levels without causing undue hardship to taxpayers while at the same time considering Township debt levels.

“Township” means The Township of Admaston / Bromley.

PROCEDURES

Inter-Restricted Reserve Borrowing:

Only temporary inter-fund borrowing between discretionary reserves to cover a reserve shortfall is permitted and encouraged to avoid external debt charges. In addition, borrowing of funds may only occur only when an analysis of the reserve has determined that excess funds are available and that the use of these funds will not adversely affect the intended purpose of the reserve. No reserve shall reach a negative balance. Monies borrowed between discretionary reserves must be replenished within three years the amount was initially borrowed. Long term borrowing is permitted. Internal borrowings must be approved by Council.

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Borrowing from a Restricted Reserve is not permitted.

Annual Reporting:

Reporting of Reserves and Restricted Reserves will occur to Council through the following processes:

1. As part of the annual budget process, Council will be provided with an updated schedule showing the previous year's budget to actual transfers to/from municipal reserves and forecasted year-end reserve balances.
2. A reserve schedule will be included as part of the budget to actual reports to Council.
3. Year-end audit and financial statements: balances of both Reserves and Restricted Reserves will be presented with note disclosure and comparative figures as required to meet Public Sector Accounting Board (PSAB) reporting standards.

Termination / Closure:

If the purpose or purposes for which the reserve or Restricted Reserve was created have been accomplished and/or deemed no longer necessary, the Treasurer, in consultation with the applicable department director shall report to Council with the recommendation on:

- The closure of the fund
- The disposition of remaining funds
- The necessary amendment to the by-law where applicable

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Attachments

Annex A – Reserve and Restricted Reserves Descriptions

DRAFT

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Annex A – Reserve and Restricted Reserves Descriptions

<p>Working Fund Reserve</p>	<p>Background: This reserve is a cash flow account intended to fund day to day operational expenses. The purpose is to provide consistent cash flow for operations as there is accounts payable funding and other funding that will be owing to the Township at any given time.</p> <p>Limits: Set at approximately three months operating expenses. Target limit: \$ XXXXXXXX</p> <p>Policy: The Treasurer is responsible for and authorized to use the funds accordingly to manage daily cash flow. The Township should review this upper limit annually (in consultation with the municipal auditor) to determine if adjustments to the limit are warranted. Any annual operating surplus will be used to top up this reserve. Otherwise, the Township will budget for annual contributions to the reserve.</p>
<p>Future Loss of Grants or Assessment Reserve</p>	<p>Background: This reserve is established as a contingency reserve to temporarily stabilize the annual tax levy should the Township lose a significant level of stable grant funding in a single year OR should the Township lose a significant assessment appeal.</p>

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	<p>Limits: Not less than 0.5% of a tax levy increase.</p> <p>Policy: This limit should be reviewed annually to determine if adjustments are warranted. Any annual operating surplus from supplementals and write offs processed during the year will be used to top-up this reserve. Should there be a need to utilize funds from this reserve during a given year, an annual contribution will be established in future budgets until the minimum limit is reached. Council shall approve the use of this reserve through the annual budgeting process or by a resolution of Council outlining in detail the costs and uses of the funds.</p>
<p>Rate Stabilization Reserve</p>	<p>Background: The Rate Stabilization Reserve is established to respond to unforeseen or unplanned expenses which could result in an increase in the municipal tax rate, fees or could result in a deficit.</p> <p>Limit: Not less than \$50,000</p> <p>Policy: The Township shall contribute 0.05% of municipal tax levy to this reserve until the target is achieved. In addition, the Township will contribute surpluses to this reserve as they become available. Use of this reserve shall require a resolution of Council outlining in detail the costs and uses of the</p>

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	<p>funds. Should there be a need to utilize funds from this reserve during a given year an annual contribution will be established in future budgets until the minimum limit is reached.</p>
<p>Legal / Insurance Reserve</p>	<p>Background: This reserve is established to manage operating budget variances relating to external legal expenditures and settlements, large insurance claims, insurance deductible costs and other costs not recoverable through insurance (lost revenue, business interruption).</p> <p>Limit: Upset limit based on average of the past five years legal and insurance claims.</p> <p>Policy: Council approved transfers from the operating fund and budget surplus from external legal and insurance claim expenses.</p>
<p>Fire Department: Wage Contingency Reserve</p>	<p>Background: The Township's Fire Department is staffed by volunteer fire fighters and are paid on an hourly basis. Hours worked by these volunteers can vary significantly from year to year based on the number of fire calls that are outside the control of the Fire Department. This reserve is established as a contingency reserve to cover any operating deficits as a result of an unexpected number of fire calls in a given fiscal year.</p>

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	<p>Limits: Not less than one quarter of the previous year gross fire payroll. Target limit: \$25,000.00</p> <p>Policy: The Treasurer on an annual basis shall evaluate the sufficiency of funding with guidance provided by the Fire Chief. Any annual operating surplus from the Fire Department will be used to top-up this reserve as required.</p> <p>Should there be a need to utilize funds from this reserve during a given year, an annual contribution will be established in future budgets until the minimum limit is reached. The Treasurer is authorized to utilize this reserve to fund any salary and wage operating budget shortfalls in the Fire Department as a result of a bad fire season.</p>
<p>Employee Benefit Reserve</p>	<p>Background: This reserve is established as a contingency reserve to cover any unexpected employee-related costs such as annual group insurance premium increases and /or succession-planning training overlap periods.</p> <p>Limits: Not less than \$12,000 or 15% of annual group insurance premiums.</p>

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	<p>Policy: Annual contributions of \$3,000 will be made until the target limit is achieved. Should there be a need to utilize funds from this reserve during a given year, an annual contribution will be established in future budgets until the minimum limit is reached. Council shall approve the use of this reserve through the annual budgeting process or by a resolution of Council outlining in detail the costs and uses of the funds.</p>
<p>WSIB Reserve</p>	<p>Background: This fund is established to fund unforeseen WSIB claim payments.</p> <p>Limit: Minimum equal to 25% of the WSIB Liability</p> <p>Policy: The Township will contribute through the tax levy as budgeting allows on an annual basis. Use of this reserve shall require a resolution of Council outlining in detail the costs and uses of the funds or shall be approved through the annual budget approval process.</p>
<p>Weather Control Contingency Reserve</p>	<p>Background: The effects of climate change are expected to increase the number of significant weather-related events. This can include record snowfalls, flooding, wind events, ice storms etc. Ontario's Municipal Disaster Recovery Assistance Program is based on a cost-sharing arrangement,</p>

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	<p>which becomes effective once the program is activated and municipal costs exceed 3% of its own purpose taxation levy. This reserve is established as a contingency reserve to cover any unexpected weather-related expenditures.</p> <p>Limits: Not less than 5% of own purpose taxation levy.</p> <p>Policy: Until the minimum limit is reached, the Township will budget to contribute a minimum of \$20,000 annually to this reserve.</p> <p>The Treasurer may utilize this reserve in the event of an emergency being declared in accordance with the Townships Emergency Management policy. Council shall approve the use of this reserve to cover expenditures related to declared emergencies by specific resolution.</p> <p>The Treasurer may also utilize this reserve to offset expenditures related to an extreme weather event and must be approved by Council.</p>
<p>Accessibility Reserve</p>	<p>Background: This reserve is established as a program-specific reserve to cover any unexpected accessibility requirements or specialized accessibility equipment.</p>

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	<p>Limits: Minimum of \$5,000</p> <p>Policy: Accessibility has a separate operating budget under general government. Any annual surplus from this operating budget may be transferred into this reserve. The Treasurer is authorized to utilize this reserve to fund any shortfalls in expenses, which would otherwise result in a deficit for this line item. Any capital expenditures to be funded by this reserve must be approved by Council through the annual budgeting process or by a resolution of Council outlining in detail the costs and uses of the funds.</p>
<p>Municipal Election Reserve</p>	<p>Background: This reserve is established to fund the cost of holding municipal elections every four years and to help stabilize the annual tax levy impact this event may have on taxation.</p> <p>Limits: Annual contributions must be sufficient to ensure funds are available every four years to offset the cost to hold an election. The Township will budget to contribute a minimum of \$7,000 annually to this reserve.</p> <p>Policy: This reserve will be utilized to help finance a municipal election. The CAO/Clerk will review and</p>

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	<p>update the limit set out in this policy annually and the Township will budget for annual contributions to the reserve accordingly. In the year in which an election is held, the Treasurer may utilize this reserve to fund any expenditures deemed attributable to the election by the CAO/Clerk.</p>
<p>Municipal Development Reserve</p>	<p>Background: This reserve is established to fund projects which support the development of the municipality including studies or exercise such as: strategic planning, job evaluation/ pay equity exercises, sustainable communities; municipal green energy projects; settlement area studies; community plans; and economic development, etc.</p> <p>Limits: No less than \$50,000.</p> <p>Policy: The Township shall contribute 0.05% of municipal tax levy annually to this reserve until the target is achieved. Use of this reserve shall require a resolution of Council outlining in detail the costs and uses of the funds. Should there be a need to utilize funds from this reserve during a given year, an annual contribution may be established in future budgets until the minimum limit is reached.</p>

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<p>Planning Reserve</p>	<p>Background: This reserve is established to help finance Zoning and Official Plan updates and any other planning study expenditures.</p> <p>Limit: Not less than \$50,000.</p> <p>Policy: The Township will contribute through the tax levy as budgeting allows on an annual basis. Any funds surplus identified at year end will be transferred to the Planning Reserve. Use of this Restricted Reserve shall require a resolution of Council outlining in detail the costs and uses of the funds or shall be approved through the annual budget approval process.</p>
<p>Building Reserve</p>	<p>Background: As mandated by O.Reg.305/03 of the Building Code, a building reserve is required for managing fluctuations in township building activity.</p> <p>Limit: One-year operating expenditure (based prior year budget).</p> <p>Policy: To cover shortfalls in building operations related to Building related services. Annual surpluses / deficits flow through this reserve. Not to be utilized by any other department.</p>

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Waste Closure Reserve

Background: The Township operates an active landfill on Stone Road. The Environmental Protection Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Landfill closure and post-closure care requirements are independently assessed in accordance with industry standards and include final covering and landscaping of the landfill, treatment and monitoring of leachate, monitoring of ground water and surface water, gas monitoring and recovery, and ongoing maintenance of various control systems, drainage systems and final cover. This future cost is a liability of the Township and is disclosed on its annual audited financial statements. This reserve has been created to provide funding for this liability.

Limits: No limit. Annual contributions to ensure that sufficient funds are available to cover the estimated closure costs on its expected closure date. This ensures that current users are paying for the full cost of their waste.

Policy: The Treasurer, with the assistance of the Roads Superintendent, will review and update the limit set out in this policy annually and the Township will budget for annual contributions to the reserve accordingly. In the years in which the landfill is

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	<p>closed, the Treasurer may utilize this reserve to fund any expenditures deemed attributable to the closure by the Roads Superintendent.</p> <p>The Waste Management Department may borrow from this reserve to internally finance capital asset acquisitions approved by Council, however, those amounts must be replenished by annual repayment contributions to replace the full amount borrowed. No other departments may borrow funds from this reserve.</p>
<p>Waste Capital Reserve</p>	<p>Background: This reserve is established to ensure that sufficient funds are available as a source of funding for the Townships portion of unforeseen operating increases in a particular budget cycle or infrastructure replacements.</p> <p>Limit: No upper limit.</p> <p>Policy: Sufficient funds to cover the unforeseen operating increases and the long-range capital forecast infrastructure replacements. Should there be any surplus funds in the Waste Management budget at the end of a given year the Treasurer will transfer those surplus funds into this reserve until there are sufficient funds available to cover the estimated long range capital forecast. Use of this</p>

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	<p>Restricted Reserve shall require a resolution of Council outlining in detail the costs and uses of the funds or shall be approved through the annual budget approval process. No other department may borrow funds from this reserve.</p>
<p>Fire Building Reserve</p>	<p>Background: This Reserve is created to fund specific projects related to the Fire Department building.</p> <p>Limits: Not applicable.</p> <p>Policy: The Township will make contributions from the Fire Department operating surplus each year to this reserve based on the recommendation of the Fire Chief as applicable/available. Otherwise, the Township will budget for annual contributions to the reserve accordingly if required. Council shall approve the use of this reserve through the annual budgeting process or by a resolution of Council outlining in detail the costs and uses of the funds.</p>
<p>Roads Building Reserves</p>	<p>Background: The purpose of this reserve is to fund infrastructure replacement of roads buildings (ex. Sand domes, garages etc.).</p> <p>Limits: No upper limit. Consistent with the required funding set out in the Asset Management Plant.</p>

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	<p>Policy: The Township will contribute annual contributions in accordance with the recommendation of the Treasurer and approval of Council outlined in the annual budget process.</p>
<p>Roads Reserve (Paved / Gravel)</p>	<p>Background: This reserve is created to fund capital roads projects (i.e., paved, surface treated, gravel).</p> <p>Limits: No limit. Consistent with the required funding set out in the Asset Management Plan.</p> <p>Policy: The Township will make contributions from the Roads Department operating surplus each year to this reserve based on the recommendations of the Roads Superintendent as applicable/available. Otherwise, the Township will budget for annual contributions to the reserve accordingly if required. Council shall approve the use of this reserve through the annual budgeting process or by a resolution of Council outlining in detail the costs and uses of the funds.</p>
<p>Roads Aggregate Reserve</p>	<p>Background: Under the Aggregate Resources Act, the Township receives funding annually based on the output of our local pits and quarries. This funding is intended to offset any additional wear and tear on municipal roads caused by their heavy</p>

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	<p>equipment. This reserve was created to set aside this funding and apply it to applicable roads projects.</p> <p>Limits: No Limit.</p> <p>Policy: The Township will make annual contributions to the reserve based on funds received through Roads Aggregate revenues received during the year. Funds will be used to help fund road improvements required on the roads leading to gravel pits and quarries in the township. Council shall approve the use of this reserve through the annual budgeting process or by a resolution of Council.</p>
<p>Vehicle and Equipment Reserve (by dept)</p>	<p>Background: These reserves will be established by department to assist with financing of future vehicle and equipment purchases.</p> <p>Limit: No limit.</p> <p>Policy: The Township will contribute through the tax levy as budgeting allows on an annual basis. Use of these reserves shall require a resolution of Council outlining in detail the costs and uses of the funds or shall be approved through the annual budget approval process.</p>

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