

TOWNSHIP OF ADMASTON/BROMLEY
FINANCE & ADMINISTRATION COMMITTEE

AGENDA

February 9, 2024

At 11:30 am

1. Call meeting to order
2. Declaration of Pecuniary Interest
3. Approval of Agenda
4. Charitable Donations & Grants Report
 - i. Draft Charitable Donations & Grants Policy
5. Draft Reserve Policy – Continue Review
6. Closed Session

As per Section 239 2 (b) – personal matters about an identifiable individual, including municipal or local board employees

More specifically to discuss Long Term Disability Case
7. Next meeting – At the Call of the Chair
8. Adjournment

Township of Admaston/Bromley

477 Stone Road, R.R. #2

Renfrew, ON

K7V 3Z5

E-Mail Address – info@admastonbromley.com

**613-432-2885 Stone Road Office
613-432-4052 Fax**

**613-432-3175 Stone Road Garage
613-646-7918 Cobden Road Garage**

REPORT

Date: February 1, 2024
To: Finance & Administration Committee
From: Kelly Coughlin
Re: Charitable Donation & Grant Policy

Background:

During the 2024 Budget deliberations staff identified the importance of establishing a Charitable Donation & Grant Policy. The Township does not currently have such a policy. Council directed staff to prepare a policy and bring it back to the committee for discussion.

Discussion:

The primary purposes of the Charitable Donation & Grant Policy are to:

- Provide a mechanism for community not-for-profit or charitable organizations and / or volunteer groups to request funding from the municipality
- To establish funding criteria and application procedures for requests for financial assistance from groups and organizations in the Township of Admaston/Bromley
- To provide council & staff with clear direction in considering and responding to requests for assistance
- To provide an accessible and equitable process for groups and organizations seeking donations from council
- To establish an annual calendar for the processing of all donation requests

Financial Implications:

Each year council will review the applications received by staff and determine the funding level during the budget deliberation.

People Consulted:

Jennifer Charkavi - CAO/Clerk

Committee Recommendation:

BE IT RESOLVED THAT the Finance & Administration Committee receive the Charitable Donations & Grant policy report as information as submitted and circulated;

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

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Policy Statement

Council of the Corporation of the Township of Admaston/Bromley recognizes the valuable contributions made by community not-for-profit or charitable organizations and volunteer groups to improve the well-being of the community and the quality of life for its residents. In recognition of these contributions, the Municipality is committed to providing modest financial and/or in-kind assistance to such organizations through its Charitable Donation & Grant program. Providing municipal grants demonstrates Council's commitment to working with these community organizations, to provide further beneficial programs and services to the Township of Admaston/Bromley. Support is provided each year from the municipality's operating budget to qualifying organizations through an annual application process.

Purpose

The purpose of the Charitable Donation & Grant Policy is to ensure that funds are allocated in a fair and transparent manner to community-based organizations. This policy establishes eligibility requirements, expectations, as well as the application and review process involved in providing grant (financial and/or in-kind) assistance to community organizations. Through the application process the Township will be able to ensure the community program or service being applied for meets the Township's strategic priorities and supports the needs of the community.

Program Intent

Every year the municipality receives more grant requests than it can fund. The aim of the Charitable Donation & Grant Policy is to share available resources throughout the municipality. Grants are intended to provide modest levels of support and assistance to community not-for-profit or charitable organizations

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and volunteer groups.

Each year, as part of its annual budget process, Council will determine the amount of funds to be allocated to the grant/donation program. Council will retain the right to make the final decision on both the overall funding allocation and the individual grant/donation.

Donations/grants made by the municipality are not to be regarded as a commitment by the municipality to continue such donations/grants in the future.

Types of Grants

The different types of grants awarded through the Charitable Donation & Grant Policy are identified as follows:

“Community Event” is defined as a recurring event that Council has determined provides some significant benefit to the broad community and is open to all members of the public.

“Community Organization” grants/donations are defined as operating funding to assist with the general operating expenses of the group, including administrative costs and program-related expenses.

“In-Kind Contributions” grants are based on the provision of municipal property/facilities, materials or resources to an applicant, and do not include the provision of cash funds to, or on behalf of, the applicant. While cash funds are not provided in relation to In-Kind grants, it is recognized that such grants will involve either an expense or foregone revenue for the municipality. Each application for In-Kind grants will include the estimated value of the application under consideration.

“Special Events” are defined as any one-time or first-time event that is of

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cultural, social or recreational significance to the community and which may have the participation of more than one organization.

1.0 Funding Eligibility

An applicant organization must meet the following general criteria to be considered for a Township grant:

- Applicants must be a community not-for-profit or charitable organization and volunteer group whose primary focus is within the Township of Admaston/Bromley.
- There can only be one application per organization/project.
- Grant applicants should be able to demonstrate active fundraising efforts to support the continuation of a program, project or service. The Township of Admaston/Bromley grant should not be considered as the primary source of funding for the organization.
- Funding requests can be defined as events/projects/programs that support, sustain, promote, inform, educate, celebrate, preserve, and/or provide access to the arts, culture, environment, heritage, recreation and/or health activities.
- All funding shall be for future initiatives. Retroactive funding will not be considered.
- Request for financial assistance for events of municipal, provincial, or national significance which would be expected to bring economic and/or public relations benefit to the Township.
- Each application must demonstrate there is a need for financial assistance and that adequate funding from other sources is not available.

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- To qualify for funding, the group must demonstrate its commitment to all the following principles:
 - Accessibility;
 - Effectiveness; and
 - Accountability through sound management and financial practices.
- Guaranteed funding is only for the fiscal year in which the organization has applied. It is not to be regarded as a commitment by the municipality to continue such assistance in future years.
- Funding requests may be reduced in value at the discretion of the Committee to support a wider range of initiatives.
- Grants/donations shall be used only for the purpose approved by Council.
- The recipient shall notify Council of any proposed material changes to the nature of the budget for the activities for which the grant has been made and shall use the grant for such altered activities only with the prior consent of Council.
- The applicant organization, within the current fiscal year, must spend grant funding on the sole purpose for which it was awarded.
- Only residents of the Township of Admaston/Bromley are eligible for school bursaries awarded by post-secondary education facilities

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- The recipient shall repay the whole or any part of the grant, as determined by the Township of Admaston/Bromley, if the recipient;
 - Ceases operating;
 - Ceases to operate as a not-for-profit organization;
 - Merges or amalgamates with another party;
 - Has knowingly provided false information in its application;
 - Uses funds for purposes not approved by Council;
 - Breaches any of these terms and conditions.

2.0 Ineligibility

The Township WILL NOT fund:

- For-profit organizations or businesses, individuals, or publicly funded institutions (i.e.: schools, hospitals, etc. – with the exception of school bursaries).
- Council may consider special requests from publicly funded organizations on a case-by-case basis (ex. physician recruitment)
- An organization that provides honorariums to its Board Members or is requesting assistance to cover paid staff salaries.
- Funding will not be provided to fund shortfalls or accumulated deficits of any organization. Financial assistance consideration is based only on budget revenues and expenditures in the year for which the assistance is requested.
- Consideration will not be given to requests for grants from

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recreational sports groups, nor will funds be used to sponsor an individual athlete or team for a competition, or to subsidize participation in a sports event, this includes travel expenses for teams to compete outside of the Township.

- Organizations and/or activities of a political nature.
- Organizations where the service component is conditional upon participation in religious activities or the organization.
- Regional, provincial, and national events that do not bring benefit to the Township.
- Activities benefiting the organization members only.
- Organizations which have not submitted the previous year's financial information in the format requested.

3.0 Application Guidelines

- 3.1 Council will invite applications for Charitable Donations & Grants by advertising and/ or on social media during the month of September each year. Advertising in print media will be at the discretion of the CAO/ Clerk.
- 3.2 To be considered for the Charitable Donation & Grant Policy, all applications must be completed and submitted to the CAO /Clerk, or their designate, by September 30th of each calendar year to ensure the request is incorporated in the annual budget.
- 3.3 Submission of application does not guarantee the applicant will be awarded all or part of the grant requested.
- 3.4 Incomplete or unclear applications will be declined.
- 3.5 Only one grant request per organization per year will be considered.

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- 3.6 The Charitable Donation & Grant Policy Application form is available on the municipal website, www.admastonbromley.com or by calling the Municipal Office at (613) 432-2885.
- 3.7 All requests will be assessed based on the established criteria within this policy.
- 3.8 Successful grants will require an authorization of Council in the form of a resolution of support.
- 3.9 In making donations/grants, the municipality may impose such conditions and/or restrictions as it deems fit. The municipality's decisions regarding donations/grants are final.
- 3.10 For applications where the September due date is not practical, an application can be made at any time, however the applicant must demonstrate that the purpose for which they are seeking the donation was not foreseen at the time of the annual process and the application must be submitted at least 6 weeks prior to the anticipated event. Consideration will be given if funds are still available in the Council allocation. The lead time is needed to ensure effective review and recommendations can be made to Council for approval.

4.0 Application Process

- 4.1 Prior to considering any request for a grant or donation, Council shall require the following information from the organization in addition to a completed Charitable Donation & Grant Policy Application:
- A detailed budget for the upcoming fiscal year or event, detailing expenditures, revenues, and including a list of all other grants, donations and / or sources of revenue.

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- Financial statements from the immediate preceding fiscal year. These statements should include an income statement and a balance sheet.
- Listing of current Board of Directors, including addresses and phone numbers.

4.2 The applicant will provide one (1) copy of the completed application form including supporting documents to the municipality. Applications can either be dropped off at the municipal office or emailed to the CAO/ Clerk, or their designate. Email address: cao@admastonbromley.com

4.3 The municipality reserves the right to request supplementary information in support of the application.

4.4 If the above information is not submitted by the September 30th deadline, applications may be returned and will not be considered by Council. However, Council reserves the right to consider applications received late or outside the annual application process if the applicant is able to demonstrate that the purpose for which they are seeking the donation was not foreseen at the time of the annual process.

5.0 Review Process

5.1 Completed applications received by the September 30th application deadline will be forwarded to Council for review and consideration during the annual budget deliberations.

5.2 Council will evaluate each application and determine if it meets the eligibility criteria set out in the policy.

5.3 Any applicants requesting \$10,000 or more, will be required to be a

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delegation before Council. Council will provide final approval based on the total grant allocation and approval of individual grants.

- 5.4 Applications for In-Kind non-financial assistance will be forwarded to the respective department for review and an analysis of costs for services/items requested.
- 5.5 In kind costs will be determined and reviewed as part of the evaluation process and will form part of the overall contribution.
- 5.6 Grant applicants determined to be ineligible for funding shall be notified, in writing, of Council's decision.
- 5.7 Grants may be awarded with certain terms and conditions. The letter of award will state, if any, restrictions that apply to the grant.

6.0 Payment Process

- 6.1 Grant awards up to a limit of \$4,999 shall be issued in full upon notification of being approved.
- 6.2 Grant awards of \$5,000 or greater shall be paid in installments, which will be detailed in the award notification letter.
- 6.3 Elementary and secondary schools must provide the Township with the name of the student they wish to award a Township of Admaston/Bromley education bursary to. Once the municipality confirms residency, payment will be issued to the corresponding school.
- 6.4 A Memorandum of Understanding will be entered into by the municipality and the applicant.

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7.0 Reporting

Within three (3) months of the completion of the event, project or service or at the end of the calendar year, all organizations receiving funding from the Municipality shall provide, a written report in the form attached hereto as Appendix 'B'. If it is determined that funds were reallocated to another project/event other than what was submitted with the municipal grant application, the Municipality may at its discretion, disqualify an organization from any future funding under this program.

NOTE: Any organizations that do not submit a report will not be considered for funding in the future.

Contact

Jennifer Charkavi, CAO / Clerk
477 Stone Road,
Renfrew, ON K7V 3Z5
Email: cao@admastonbromley.com

Change History

Policy Name	Effective Date	Significant Changes
Charitable Donation & Grant Policy	February 2024	New policy

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Appendix A: Charitable Donation & Grant Application

Please ensure that you provide full, complete and clear answers to the questions on this form. Failure to provide the required information may result in your group being ineligible. Missing or unclear information may result in the application being delayed or rejected.

Part A- Organization Information

Name of Organization:

Address:

Contact Person's Name:

Telephone #:

E-Mail:

Registered Not-for Profit?

**Is this organization
Incorporated?**

Years in Existence:

**Number of Active Members
or Volunteers:**

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Please provide a brief description of your group/organization and the services provided in the community of Admaston/Bromley.

Part B- Grant Request Event

Event Title:

Date of Event:

Description of Request: Please choose:

- Community Event**
- Community Organization**
- In-Kind Contributions**
- Special Event**

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What impact will this event or project have on the community?

Funding amount requested:

Other Sources of funding:

Please answer the following:

Is this the first year for the event?

How many participants are expected?

Will there be a charge to participate/admission fee?

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How will the funding be used?

Project or Event timelines:

How will you know if your program / service / event / festival was a success?

How will you evaluate its success?

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Part C- In-Kind Support

Description of Services Requested:	Cost (Office Use)
1. <input type="text"/>	
2. <input type="text"/>	
3. <input type="text"/>	
4. <input type="text"/>	
5. <input type="text"/>	
TOTAL	

Part D- Application Checklist

- Completed application form
- List of the Board of Directors/Committee members
- Proposed Budget
- Financial Statements
- Letters of Support (Optional)

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Part E- Applicant Declaration

I confirm that the information contained in this application and accompanying documents is true, accurate, and complete.

Name and signature of the Chair or President of the Board of Directors/Committee:

Name:

Title :

Signature:

Date:

DRAFT

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**Appendix B: Charitable
Donation & Grant
Report**

This form must be completed within three (3) months of the completion of the event/service OR submitted by the end of the calendar year. Any organization that does not complete and return this form will not be considered for funding in subsequent years.

ORGANIZATION NAME AND CONTACT INFORMATION:

Name or Organization:

Contact Person:

Mailing Address:

Telephone #:

Fax #:

Email:

ORGANIZATION GENERAL INFORMATION:

Briefly describe the project/program/event for which the Organization is reporting on:

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Describe how anticipated goals and objectives were met including performance measurements:

**How many people participated in or attended the project/program/event?
How many paid attendees? What was the average age?**

Date of Program/Event:

Location of project/program/event:

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Was the project/program/event a success? How is this success measured? If not a success, describe why not.

Please provide any other relevant information.

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DECLARATION

We the undersigned, declare that we have been authorized to file this report and that to the best of our knowledge, all answers provided in the report, as well as all the information contained in the document and materials attached to it, are true and complete.

	Signature	
	Print Name	
	Title	
	Date	

Received By:

Date Received:

Authorized Signature:

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DEPARTMENT: Finance Department

Policies

POLICY: Reserve & Restricted Reserve

Policy

DATE: October 20, 2023

SECTION: Reserves

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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

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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>
Accessibility Reserve	<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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