

DATE OF MEETING SEPTEMBER 21, 2021

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SUBJECT CLIMATE ACTION RESERVE FUND BYLAW

OVERVIEW

Purpose of Report

To introduce "Climate Action Reserve Fund Bylaw No. 7330" for first, second and third readings.

Recommendation

1. That "Climate Action Reserve Fund Bylaw 2021 No. 7330" (To establish a Climate Action Reserve Fund) pass first reading;
2. That "Climate Action Reserve Fund Bylaw 2021 No. 7330" pass second reading; and,
3. That "Climate Action Reserve Fund Bylaw 2021 No. 7330" pass third reading.

BACKGROUND

Council at the 2021-JUL-26 Council meeting approved a recommendation from the 2021-JUL-20 Finance and Audit Committee meeting that Council:

1. Direct Staff to include in the 2022 – 2026 Draft Financial Plan for Council consideration a new funding strategy for the Emission Reduction Reserve based on an annual allocation of \$165,000.
2. Direct Staff to transfer the balance in the Sustainability Reserve Fund to the Emission Reduction Reserve Fund and return to Council with an updated Emission Reduction Reserve Fund Bylaw that includes supporting both energy and emission reduction projects and initiatives.

DISCUSSION

In preparing the update to the Emission Reduction Reserve Fund Bylaw staff discussed the current naming convention of the reserve fund. Staff concluded that a recommendation to change the name of the reserve to better reflect the expanded use be included in the update.

The new Climate Action Reserve Fund will replace the Emission Reduction Reserve Fund and the Sustainability Reserve Fund. The new reserve recognizes and supports the importance of energy and emissions management and will support initiatives, plans or project that:

- Reduce the City's greenhouse gas emissions and support the City in becoming carbon neutral; and/or
- Support the reduction of energy consumption of City owned and operated facilities.

FINANCIAL CONSIDERATIONS

The 2022 – 2026 Draft Financial Plan includes an annual allocation of \$165,000 to the new Climate Action Reserve Fund for Council's consideration.

Upon adoption of the Climate Action Reserve Fund Bylaw the balances in the Emission Reduction Reserve Fund and the Sustainability Reserve Fund will be transferred to the new Climate Action Reserve Fund. The balance at 2020-DEC-31 in the Sustainability Reserve Fund was \$420,800 and in the Emission Reduction Reserve Fund was \$513,697. |

OPTIONS

1. | That "Climate Action Reserve Fund Bylaw 2021 No. 7330" (To establish a Climate Action Reserve Fund) pass first reading;

That "Climate Action Reserve Fund Bylaw 2021 No. 7330" pass second reading; and,

That "Climate Action Reserve Fund Bylaw 2021 No. 7330" pass third reading.
 - The advantages of this option: Combining the two reserves into one new reserve with a steady contribution stream will provide a more sustainable funding source to advance projects and initiatives.
 - Financial Implications: The new Climate Action Reserve Fund will have a projected 2021 closing balance of \$559,421.)
2. That Council table the report and request more information from Staff.

SUMMARY POINTS

- The Climate Action Reserve Fund will replace the Emission Reduction Reserve Fund and the Sustainability Reserve Fund.
- The Climate Action Reserve Fund will fund initiatives, plans or project that support energy and emissions management.
- The 2022 – 2026 Draft Financial Plan includes an annual allocate of \$165,000 to the Climate Action Reserve Fund for Council's consideration.

ATTACHMENTS:

“Climate Action Reserve Fund Bylaw 2021 No. 7330” |

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Concurrence by:

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