

DATE OF MEETING November 15, 2023

AUTHORED BY Wendy Fulla, Deputy Director, Finance

SUBJECT Update of Reserve Policy

OVERVIEW

Purpose of Report

To update the Reserve Policy to reflect the new Harewood Centennial Turf Field Reserve Fund.

Recommendation

That the Finance and Audit Committee recommend that Council amend Reserve Policy COU-231 to include the Harewood Centennial Turf Field Reserve Fund.

BACKGROUND

At the 2019-JUL-22 Council meeting, Council endorsed Reserves Policy COU-204 as well as a number of recommendations including the establishment of, or revision to, a number of statutory reserves to ensure a systematic approach for the setting aside of funds to maintain, replace and renew City infrastructure. At the 2019-NOV-18 Council meeting, the Reserve Fund bylaws required to support the new policy were adopted. Since endorsement a number of changes have been approved including:

1. Approval at the 2020-NOV-18 Finance and Audit Committee Meeting, to change the minimum reserve balance and set a maximum reserve balance for the three (3) financial stability reserves;
2. Repealing Reserve Policy COU-204 and replacing it with Reserve Policy COU-231 effective 2022-DEC-19, to reflect reserves that had been created, repealed or revised since adoption as well as revisions to the interest calculation method for Reserve Funds and other minor updates for clarity and consistency;
3. Approval at the 2023-JUL-19 Finance and Audit Committee to revise the minimum reserve balances for the General Financial Stability Reserve and the Sewer Financial Stability Reserve effective January 1, 2024, and amendment of Reserve Policy COU-231 to include the Growing Communities Reserve Fund.

DISCUSSION

On 2023-SEPT-28, School District 26 and the City signed a joint use license agreement for the new artificial turf fields at Harewood Centennial Park. Terms of the joint use license agreement include the creation of a reserve fund to which both School District 68 and the City will make annual contributions. On 2023-NOV-06 Council adopted the *Harewood Centennial Turf Field*

Reserve Fund Bylaw No. 7369. The Reserve Policy has been updated to reflect the new reserve fund. |

OPTIONS

1. That the Finance and Audit Committee recommend that Council amend Reserve Policy COU-231 to include the Harewood Centennial Turf Field Reserve Fund
 - The advantages of this option: Ensures the Reserve Policy reflects current Reserves and Reserve Funds
2. That the Finance and Audit Committee provide alternative direction
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SUMMARY POINTS

- Council adopted a Reserve Policy in 2019 to ensure a systematic approach for the setting aside of funds to maintain, replace and renew City infrastructure.
- Reserve Policy COU-231 has been amended to include the Harewood Centennial Turf Field Reserve Fund.

ATTACHMENTS:

Attachment A: Reserve Policy COU-231 Amended |

Submitted by:

Wendy Fulla
Deputy Director, Finance |

Concurrence by:

Laura Mercer
Director, Finance |