

TOWN OF STRATFORD

RESERVE FUNDS BYLAW

BYLAW NUMBER 29



A bylaw relating to the establishment and management of reserve funds

BE IT ENACTED by the Council of the Town of Stratford as follows:

1. Title

1.1. This bylaw shall be known and cited as the “Reserve Funds Bylaw.”

2. Authority

2.1. The Municipal Government Act R.S.P.E.I. 1988, Cap. M-12.1.

3. Definitions

3.1. “Act” means the Municipal Government Act.

3.2. “Chief Administrative Officer” or “CAO” means the administrative head of a municipality as appointed by council under subsection 86(2)(c) of the *Municipal Government Act*.

3.3. “Council” means the Mayor and other members of the Council of the municipality.

3.4. “Reserve fund” means money set aside for a specific purpose by approval of Council.

4. Criteria and Conditions for Reserve Fund Contributions, Transfers, Withdrawals

4.1. Reserve funds are hereby established in Schedule “A” that is attached to, and forms part of, this bylaw, for the purpose indicated in the schedule.

4.2. Money set aside in reserve funds must only be approved by Council for the purposes identified in Schedule A.

4.3. Council may add new reserve funds or change the purpose of reserve funds by amending Schedule A, which will be an amendment to this bylaw.

4.4. Any interest derived from a reserve fund is reported as revenue fund earnings and shall be considered part of the fund.

- 4.5. All contributions and/or withdrawals from each reserve fund must be approved by Council either generally as part of the annual budget approval process or by resolution at a duly constituted meeting of the Council.

5. Closure of Reserve Funds

- 5.1. A reserve fund may not be closed, and any remaining money may not be withdrawn, until such time as Council determines the following:
- (a) That the purpose for which the reserve fund was established has been achieved;
 - (b) That the reserve fund is no longer required to achieve the long term financial planning goals of Council; or
 - (c) That the money set aside in a reserve fund would be better used for an alternate purpose
- 5.2. If Council determines that a reserve fund is to be closed, Council must, by resolution, close the reserve fund and the date of the closure shall be documented in Schedule "A" accordingly.

6. Reporting

- 6.1. Reserve fund projected contributions and planned expenditure or withdrawals must be presented in the annual financial plan. Reserve fund balances, actual contributions, expenditures or withdrawals must be presented in the year-end financial statements.

7. Severability

- 7.1. If any provision in this bylaw is deemed to be invalid for any reason, then that provision shall be severed from this bylaw and all remaining provisions shall remain valid and in force.

8. Effective Date

- 8.1. This Bylaw is effective on the date of approval and adoption below.

First Reading:

This Bylaw was read and formally approved by a majority of Council members present at the Council meeting held on the 9th day of May 2018.

Second Reading:

This Bylaw was read and formally approved by a majority of Council members present at the Council meeting held on the 13th day of June 2018.

Approval and Adoption by Council:

This bylaw was formally adopted by a majority of Council members present at the Council meeting held on the 13th day of June 2018.

This bylaw is hereby declared to be passed and proclaimed as a bylaw of the Town of Stratford on this 13th Day of June 2018.

Witness the corporate seal of the Town.

Mayor

Chief Administrative Officer

This Bylaw was filed with the Minister of Communities, Land and Environment on this ___ day of _____ 2018.

Schedule A – Reserve Funds

This Schedule forms part of the Reserve Fund Bylaw

Name	Year Established	Purpose of the Reserve Fund	Date of Fund Closure
Town Capital Reserve	2007	To provide for expenditures associated with the rehabilitation or replacement of existing capital infrastructure, or portions thereof. Annual cash budget surpluses from the Town General Fund, net of government contributions, shall be automatically transferred into this fund.	
Utility Capital Contribution Reserve	2003	To provide for 1% of the cost of water and sewer extensions to unserved areas.	
Utility Capital Reserve	2018	To provide for expenditures associated with the rehabilitation or replacement of existing capital infrastructure, or portions thereof. Annual cash budget surpluses from the Utility General Fund, net of government contributions, shall be automatically transferred into this fund.	
Watershed Reserve	2012	To provide for expenditures related to the rehabilitation of watersheds.	
Stratfords of the World Reserve	2013	For costs associated with Stratford Sister Cities events.	
Parkland Dedication Fees	1995	To provide for the purchase and development of parkland. Funds received from developers for subdivision dedication pursuant to the Zoning and Development Control Bylaw shall be automatically transferred into this fund.	
RCMP building Reserve	2015	To provide for the replacement of the existing RCMP office.	
RCMP Vehicle Reserve	2016	To provide funding for the replacement of RCMP vehicles.	
Water Supply Reserve	2001	To provide for the addition or rehabilitation of water supply infrastructure, for the extension of municipal water to the boundary of new subdivisions, and for oversizing of water distribution systems for new subdivisions. Water supply capital contributions that are received pursuant to the Water and Sewer Customer Service Regulation Bylaw shall be automatically	

		transferred into this fund.	
Sewer Treatment Reserve	2018	To provide for the addition or rehabilitation of sewer pumping and treatment infrastructure, for the extension of municipal sewer to the boundary of new subdivisions and for oversizing of sewer collection systems for new subdivisions. Sewer treatment capital contributions that are received pursuant to the Water and Sewer Customer Service Regulation Bylaw shall be automatically transferred into this fund.	
Elections	1999	To provide annual contributions for costs associated with municipal elections.	
New Deal for Cities and Communities	2015	To provide for the development or rehabilitation of infrastructure in accordance with the eligibility criteria in the New Deal for Cities and Communities Agreement. Funds received from the Government of Canada pursuant to the New Deal for Cities and Communities Agreement shall automatically be transferred into this fund.	