

# Request for Decision



To: Committee of the Whole  
From: Financial Services  
Date: June 10, 2019  
Subject: Reserve Fund Establishment Bylaw No. 2060  
Recommendation: **THAT the Committee of the Whole recommends to Council to give first three readings of the Reserve Fund Establishment Bylaw No. 2060, 2019 at the June 24, 2019 Regular Meeting**

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## Background

The current Land Sales Reserve Fund Bylaw includes language which restricts the use of funds from this reserve for the purchase of land to that which is required as part of a capital works project. Staff is proposing that the bylaw be re-written to allow for the funding of land acquired for strategic purposes as well. Section 188 of the *Community Charter* states that money received from the sale of land and improvements must be placed in a reserve and used for "acquiring land, improvements and other assets of a capital nature", and does not limit this to land necessary for capital works.

Staff is also proposing that the various reserve fund bylaws be replaced by a single bylaw for administrative efficiency and easy reference. There are currently nine reserve fund bylaws in effect which can be consolidated into one bylaw. The existing development cost charge reserve funds bylaws are under review for potential revision and therefore have been excluded from this process of consolidation.

The original language from the individual bylaws has for the most part been incorporated into the new bylaw verbatim or with minor changes. In some cases, the wording has been changed for greater consistency with the associated legislation. The significant changes are as follows:

### Land Sales Reserve Fund

#### Purpose

<i>Existing</i>	Any funds to be expended shall be for expenditures for or in respect of capital projects and any land, machinery, or equipment necessary therefore, including the extension or renewal of existing capital works.
<i>New</i>	To pay any debt remaining in relation to the sold property and/or for the acquisition of land, improvements and other assets of a capital nature consistent with the City's strategic objectives.

#### Source of Funds

- 3.1 Added the phrase "except for tax sale proceeds".

## **Cash-in-lieu of Parking Reserve Fund**

### Purpose

- Existing*
- a) the provision of new and existing off-street parking spaces and in respect of capital projects for this purpose;
  - b) the acquisition of land or the purchase of machinery and equipment necessary to construct and maintain these off-street parking facilities;
- New* To provide new and existing off-street parking spaces.

## **Community Works Reserve Fund**

### Purpose

- Existing* Monies in the "Community Works Reserve Fund" will be solely used for the purposes allowed under the Community Works Fund Agreement
- New* To account for funds received and used pursuant to the Community Works Gas Tax Agreement, and to fund projects in compliance with acceptable uses as defined in the Agreement.

## **Climate Action Reserve Fund**

### Purpose

- Existing* Monies in this Reserve Fund and any interest thereon shall be used for the purpose of:
- a) Investing in greenhouse gas emission reduction initiatives that contribute to carbon neutral municipal operations; or
  - b) For the purchase of carbon offsets or other similar measures that may be devised in the future to manage greenhouse gas emissions.
- New* To fund climate action and mitigation projects that promote greenhouse gas reduction, energy conservation, and carbon neutrality, or for the purchase of carbon offsets or other greenhouse gas balancing measures.

## **General, Electrical, Water and Waste Water Capital Reserve Funds**

### Purpose

Added "and annual budget" after "as identified in the Asset Management Investment Plan".

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## **Benefits or Impacts**

### **General**

The proposed bylaw consolidates reserve funds in alignment with management's objective to modernize bylaws and improve administrative efficiency.

## Strategic Impact



### Fiscal Responsibility

The proposed changes to the Land Sales Reserve Fund will allow for the strategic purchase of land and not exclusively land which is required as part of a capital project.

## Policy/Legislation

*Community Charter* Section 188

*Local Government Act* Section 525

Administrative Agreement on the Federal Gas Tax Fund in British Columbia

## Attachments

Draft Reserve Fund Establishment Bylaw No. 2060, 2019

Excerpt of Section 188 from the *Community Charter*

Land Sales Reserve Fund Bylaw 2029, 2016

Cash-in-Lieu of Parking Reserve Fund Bylaw No. 1450, 1995 and Amendment to the

Cash-in-Lieu of Parking Reserve Fund Bylaw No. 1759, 2004

Community Works Reserve Fund Establishment Bylaw 2020, 2015

Slag Sales Reserve Fund Bylaw 2027, 2016

Machinery and Equipment Purchase and Replacement Reserve Fund Bylaw No. 1303

and Bylaw No. 1762 Amendment to the Machinery and Equipment Purchase and

Replacement Reserve Fund Bylaw No. 1303

Climate Action Reserve Fund Establishment Bylaw 1989, 2013

Capital Reserve Fund Bylaw No. 1854 and amendment 1854-A1

Capital Reserve Funds Establishment Bylaw 2028, 2016

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## Recommendation

**THAT the Committee of the Whole recommends to Council to give first three readings of the Reserve Fund Establishment Bylaw No. 2060, 2019 at the June 24, 2019 Regular Meeting**

## Options

1. THAT Committee of the Whole accepts the recommendation.
2. THAT Committee of the Whole does not accept the recommendation.
3. THAT Committee of the Whole refers the matter back to staff for further information.