



The Municipal Corporation of the Town of Fort Erie

By-law No. 15-2020

Being a By-law to Amend By-law No. 93-12, as amended To Adopt A Reserve Policy For The Town Of Fort Erie (Industrial Land Development Reserve Fund & Housekeeping Amendment)

Whereas By-law No. 93-12, as amended, was passed by the Municipal Council of the Town of Fort Erie on the 24th day of September, 2012 to adopt a Reserve Policy for the Town of Fort Erie and to repeal By-law No. 148-06, and

Whereas at the Council-in-Committee Meeting held on January 13, 2020, Report No. CAO-03-2020 was approved authorizing an amendment to the Reserve Policy to establish the Industrial Land Development Reserve Fund to finance the servicing and/or purchasing of industrial lands in the Town of Fort Erie, and

Whereas at the Council Meeting held on June 15, 2015, Report No. CS-10-2015 was approved authorizing an amendment to the Reserve Policy to establish The Greater Fort Erie Secondary School (GFESS) Theatre Reserve Fund and an Encumbrance Reserve Fund, although the Reserve Policy had inadvertently not been amended, and

Whereas it is deemed necessary to further amend By-law No. 93-12 to establish the Reserve Funds accordingly;

Now Therefore the Council of The Corporation of the Town of Fort Erie enacts as follows:

1. **That** the Industrial Land Development Reserve Fund, The Greater Fort Erie Secondary School (GFESS) Theatre Reserve Fund and an Encumbrance Reserve Fund are established.
2. **That** By-law No. 93-12, as amended, is further amended by repealing Appendix "1" to Schedule "A" thereto and replacing it with Schedule "A" attached hereto and forming part of this by-law.
3. **That** the Clerk of the Town is authorized to effect any minor modifications, errors, omissions or corrections solely of an administrative, numerical, grammatical, semantical or descriptive nature to this by-law or its schedules after the passage of this by-law.

Read a first, second and third time and finally passed this 20th day of January, 2020.

Mayor

Clerk

I, Carol Schofield, the Clerk, of The Corporation of the Town of Fort Erie hereby certifies the foregoing to be a true certified copy of By-law No. 15-2020 of the said Town. Given under my hand and the seal of the said Corporation this day of , 20.

Reserve Name	Purpose	Source of Funding	Establishing By-law	Basis for Target Reserve Balance	Target Balance	Basis for Target Minimum Annual Contribution	Target Minimum Annual Contribution
Discretionary Reserves							
Working Capital Reserve	Working capital	General Levy		One months equivalent of tax revenues	\$ 1,500,000	n/a	n/a
Discretionary Reserve Funds							
Operating							
General Levy Rate Stabilization	Fund tax revenue shortfalls, one time expenditures, as well as other contingencies such as costs associated with major OMB hearings	Annual general levy operating budget surpluses	1996-042	5%-10% of previous years tax levy	\$ 1,000,000	n/a	n/a
Sewer Rate Stabilization	Fund revenue shortfalls, one time expenditures, as well as other contingencies	Established annual utility operating budget contribution	1988-067	5% - 10% of previous years gross sewer revenue	\$ 430,000	Current allocation	\$ 77,100
Water Rate Stabilization	Fund revenue shortfalls, one time expenditures, as well as other contingencies	Established annual utility operating budget contribution	2009-153	5% -10% of previous years gross water revenue	\$ 380,000	Current allocation	\$ 64,500
Self Insurance	To offset cost of insurance claims and deductibles	Established annual operating budget contribution	1998-197	One year's insurance budget	\$ 500,000	Current allocation	\$ 20,000
Emergency Mgmt	Emergency measures including inclement weather	Established annual operating budget contribution	2004-251	One year's winter control budget	\$ 750,000	Current allocation	\$ 10,000
Municipal Election	To mitigate the increase in operating budget every 4 years associated with election and strategic plan	Established annual operating budget contribution	1989-211	Election and strat plan budget	\$ 130,000	Current allocation	\$ 33,000
Building Permit Surplus	To offset cost of administration and enforcement of the Building code when fee revenues are less than costs of delivering building services	Year end surpluses from Building and Inspection services net of year end deficits funded from General Levy	2008-051	One year's Building Permit budget	\$ 360,000	Budget surplus allocation net of deficits	n/a
Community Health & Wellness	Community Health and Wellness purposes	Operating budget contribution	2004-256, 2009-074	One doctor retention commitment	\$ 60,000	Budget surplus allocation	\$ 20,000
Community Improvement Plan Financial Incentives	Funding of financial incentives in accordance with approved Community Improvement Plans	Annual operating budget surplus of BCIP annual budget allocation	2006-148, 2012-067	Estimate of cost of incentives	\$ 200,000	CIP grant surplus allocation	n/a

Reserve Name	Purpose	Source of Funding	Establishing By-law	Basis for Target Reserve Balance	Target Balance	Basis for Target Minimum Annual Contribution	Target Minimum Annual Contribution
Discretionary Reserve Funds							
Operating							
South Niagara Hospital Reserve Fund	To accumulate the pledged funds of the new South Niagara Hospital.	Operating budget contribution	2014-023	\$3m commitment per July 15, 2013 Council Meeting Resolution #13	\$ 3,000,000	Current allocation	\$ 200,000
Greater Fort Erie Secondary School Theatre	To accumulate funds for the construction of a theatre in the new high school	Donations and Operating budget contribution					
Encumbrance Reserve Fund	To allow for the transfer of budgeted funding for projects not yet completed	Operating project budget surpluses			n/a	n/a	n/a

Reserve Name	Purpose	Source of Funding	Establishing By-law	Basis for Target Minimum Annual Contribution	Target Minimum Annual Contribution	Basis for Target Optimal Annual Contribution	Target Optimal Annual Contribution
Discretionary Reserve Funds							
Capital							
Fire Equipment Replacement	Replacement of fire apparatus	Established annual operating budget contribution	1985-090	Amortization	\$ 288,000	10% of estimated replacement cost	\$ 580,000
Fleet Equipment Replacement	Acquisition of vehicles and equipment	Established annual operating budget contribution, proceeds of sale and insurance claims	1985-90	Amortization	\$ 258,100	10% of estimated replacement cost	\$ 400,000
Office Furniture and Equipment	New and replacement Municipal Centre office equipment	Established annual operating budget contribution	2007-46	Amortization	\$ 6,400	10% of estimated replacement cost	\$ 100,000
IT Equipment	New and replacement IT equipment	Established annual operating budget contribution	2012-93	Amortization	\$ 87,000	20% of estimated replacement cost	\$ 200,000
Major Capital Expenditure	New land and facility acquisition	Net proceeds of land sales in excess of Land Acquisition and Disposal dept net expenditure budget	1979-1077	n/a	\$ -	n/a	\$ -
Industrial Land Development	To finance the servicing and/or purchasing of industrial lands in the Town of Fort Erie.	Established annual operating budget contribution	new	n/a	\$ -	n/a	\$ -
Facilities Maintenance	Facility upgrades and improvements	Established annual operating budget contribution	2006-148	Amortization	\$ 1,129,200	3% of estimated replacement cost	\$ 1,753,800
Cemetery Improvements	Cemetery improvements and beautification	Operating budget contribution	1989-207	Amortization	\$ 1,900	long term cemetery strategy pending	TBD
Zamboni Replacement	Life-cycle replacement of Zambonis	Facilities rental user surcharge	2004-157	Amortization	\$ 10,400	10% of estimated replacement cost	\$ 27,000
Transit Capital	Specialized Transit (FAST) vehicles	Donations and Provincial Gas Tax for transit capital	2009-009	Amortization	\$ 5,500	10% of estimated replacement cost	\$ 10,000
Waterfront & Tourism Development	Waterfront land acquisition and construction of related tourism infrastructure	Annual fee received for encroachments on Waterfront Road Allowances	2000-046	n/a	\$ -	n/a	\$ -
Museum	Museum Services Capital and extraordinary operating expenses	Donations	2002-189, 2010-054	Amortization	\$ 12,000	3% of estimated replacement cost	\$ 45,000
Storm Drainage Refurbishing	Storm drainage and municipal drain system refurbishing and expansion	Established annual operating budget contribution	1986-077	Amortization	\$ 481,800	2% of estimated replacement cost	\$ 2,020,000
Road Refurbishing	Refurbishing and expansion of road, sidewalk and streetlight system	Established annual operating budget contribution	1994-012	Amortization	\$ 3,209,300	2% of estimated replacement cost	\$ 6,000,000

Reserve Name	Purpose	Source of Funding	Establishing By-law	Basis for Target Minimum Annual Contribution	Target Minimum Annual Contribution	Basis for Target Optimal Annual Contribution	Target Optimal Annual Contribution
<u>Discretionary Reserve Funds</u>							
Capital continued							
Bridges & Culverts Refurbishing	Refurbishing and expansion of bridge and culvert infrastructure	Established annual operating budget contribution	2009-153	Amortization	\$ 46,000	2% of estimated replacement cost	\$ 290,000
Parking	Parking lot acquisition and improvements	Annual net parking revenues	1971-105	Amortization	\$ 3,100	2% of estimated replacement cost	\$ 2,200
Sanitary Sewer Refurbishing	Refurbishing and expansion of the sanitary sewer system	Established annual utility operating budget contribution	1984-010	Amortization	\$ 544,300	2% of estimated replacement cost	\$ 2,040,000
Water Refurbishing	Refurbishing and expansion of the water system	Established annual utility operating budget contribution	1984-011	Amortization	\$ 516,200	2% of estimated replacement cost	\$ 1,940,000
Dedicated Water Meter Replacement	Replacement of commercial and residential water meters	Established annual utility operating budget contribution	2006-148	Amortization	\$ 67,000	10% of estimated replacement cost	\$ 480,000
<u>Discretionary Reserve Funds</u>							
Specific use							
Wayfinding Implementation	Signage initiatives of the Wayfinding study	Surplus capital funds	2006-148	n/a		included with Roads	\$ -
Battlefield Park Pavilion	Improvements to the Battle of Ridgeway Memorial park pavilion	One time donation from the Ridgeway Battlefield Association	1991-160	n/a		included with Parks	\$ -

Reserve Name	Purpose	Source of Funding	Establishing By-law	Basis for Target Minimum Annual Contribution	Target Minimum Annual Contribution	Basis for Target Optimal Annual Contribution	Target Optimal Annual Contribution
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Obligatory Reserve Funds**Operating**

Ridgeway BIA	Improvement, beautification, maintenance, advertising and special events of the Ridgeway BIA	Annual BIA operating budget surplus	2010-012	n/a	\$ -	n/a	\$ -
Bridgeburg BIA	Improvement, beautification, and maintenance activities of the Bridgeburg BIA	Annual BIA operating budget surplus	2005-023	n/a	\$ -	n/a	\$ -
Museum Memorial	Museum artifacts perpetual care reserve, to provide for interest allocations to fund museum operations	Donations	2002-188	n/a	\$ -	n/a	\$ -
Provincial Gas Tax	For transit operations in accordance with Provincial Gas Tax Agreement	Quarterly contributions from Province (MTO) as established on an annual basis	2006-148	n/a	\$ -	n/a	\$ -

Obligatory Reserve Funds**Capital**

Parklands	For park or other public recreational purposes	Cash payments in lieu of the conveyance of lander under a plan of subdivision	1979-1074	Amortization	\$ 504,300	5% of estimated replacement cost	\$ 685,000
Development Charges	To fund growth related capital projects as identified in the DC Background Study	Direct allocation of development charges collected in accordance with by-law	1991-243	See DC background study	\$ -	n/a	\$ -
Major Capital-Garrison Village	Drainage improvements in the Garrison Village area	Developer contribution	2006-148	n/a	\$ -	n/a	\$ -
Federal Gas Tax	Infrastructure supporting cleaner water, cleaner air or reduced greenhouse gas emissions in accordance with Federal Gas Tax Agreement	Quarterly contributions from the Federal government as established in the agreement. Cannot exceed three years contributions	2004-247	n/a	\$ -	n/a	\$ -