

THE CORPORATION OF THE VILLAGE OF MONTROSE

BYLAW #662

A BYLAW TO ESTABLISH MUNICIPAL RESERVES

WHEREAS Section 188 of the *Community Charter* authorizes Council to establish reserve funds for specified purposes, and

WHEREAS Council deems it to be in the best interest of the municipality's financial stability to establish multiple reserve funds,

BE IT THEREFORE RESOLVED that the Council of the Village of Montrose in open meeting assembled, enact as follows:

SHORT TITLE

1. (1) This Bylaw may be cited as the "CONSOLIDATED RESERVE FUNDS BYLAW."

PURPOSE

2. (1) The purpose of this bylaw is to establish a source of funding to cover future capital expenditures that will benefit the Village of Montrose.

RESERVE FUNDS

3. (1) A **Capital Water Infrastructure Reserve Fund** is hereby established. The Terms of Reference governing the administration of this Reserve Fund are established in Schedule 'A' attached to and forming part of this Bylaw.
- (2) A **Capital Sewer Infrastructure Reserve Fund** is hereby established. The Terms of Reference governing the administration of this Reserve Fund are established in Schedule 'B' attached to and forming part of this Bylaw.
- (3) A **Capital Drainage Infrastructure Reserve Fund** is hereby established. The Terms of Reference governing the administration of this Reserve Fund are established in Schedule 'C' attached to and forming part of this Bylaw.
- (4) A **Capital Transportation Reserve Fund** is hereby established. The Terms of Reference governing the administration of this Reserve Fund are established in Schedule 'D' attached to and forming part of this Bylaw.
- (5) A **Capital Buildings, Machinery and Equipment Reserve Fund** is hereby established. The Terms of Reference governing the administration of this Reserve Fund are established in Schedule 'E' attached to and forming part of this Bylaw.
- (6) A **Recreation, Parks and Open Spaces Reserve Fund** is hereby established. The Terms of Reference governing the administration of this Reserve Fund are established in Schedule 'F' attached to and forming part of this Bylaw.
- (7) A **Community Works Fund Reserve Fund** is hereby established. The Terms of Reference governing the administration of this Reserve Fund are established in Schedule 'G' attached to and forming part of this Bylaw.
- (8) An **Insurance Contingency Reserve Fund** is hereby established. The Terms of Reference governing the administration of this Reserve Fund are established in Schedule 'H' attached to and forming part of this Bylaw.
- (9) An **Employee Payout Reserve Fund** is hereby established. The Terms of Reference governing the administration of this Reserve Fund

are established in Schedule 'I' attached to and forming part of this Bylaw.

ENACTMENT and REPEAL

- 4. (1) If any section, subsection, sentence, clause or phrase of this bylaw is for any reason held to be invalid by the decision of any court of competent jurisdiction, the invalid portion shall be severed and the part that is invalid shall not affect the validity of the remainder.
- (2) This Bylaw shall come into full force and effect on final adoption.
- (3) Bylaws #143, #181, #227, #228, and #626 are hereby repealed.

READ A FIRST TIME	this 03 rd day of December, 2007
READ A SECOND TIME	this 03 rd day of December, 2007
READ A THIRD TIME	this 03 rd day of December, 2007
RECONSIDERED AND FINALLY ADOPTED	this 17 th day of December, 2007

Mayor

Corporate Officer

Certified a true copy of Bylaw #662, as adopted

Corporate Officer

THE CORPORATION OF THE VILLAGE OF MONTROSE

BYLAW #662 - SCHEDULE "A"

Capital Water Infrastructure Reserve Fund

PURPOSE

1. The purpose of this reserve is to hold funds designated by Council for:
 - a) The future replacing or upgrading to any water infrastructure owned by the Village of Montrose,
 - b) The conducting of engineering studies related to any water infrastructure owned by the Village of Montrose,
 - c) The redemption of any debentures issued in respect to any water infrastructure owned by the Village of Montrose.

FUNDING

1. The Capital Water Infrastructure Reserve shall be a cash reserve established in the Water Capital Funds balance sheet of the Village of Montrose.
2. Council may, by resolution, make contributions to the Capital Water Infrastructure Reserve Fund through surplus monies of the annual water operating fund, at any time.
3. Council may, by resolution, make contributions to the Capital Water Infrastructure Reserve Fund through surplus monies of the annual general operating fund, at any time.
4. Council may, by resolution, make contributions to the Capital Water Infrastructure Reserve Fund through the transfer of monies from another reserve fund that has been established for a capital purpose, at any time.
5. Council may, by resolution, make contributions to the Capital Water Infrastructure Reserve Fund through the transfer of monies from other municipal bank accounts of the Village, at any time.
6. The cash balance of this fund shall be established as a separate, interest-earning account.
7. The interest earned by this reserve fund shall accrue to the reserve and be considered part of the reserve fund.

DRAWS

1. Funds drawn from the Capital Water Infrastructure Reserve may be used to finance projects identified above in any given annual budget.
2. All draws from the Capital Water Infrastructure Reserve shall be subject to approval by Council resolution.
3. Council may, by resolution, authorize a transfer from this reserve fund to another reserve fund that has been established for a capital purpose.

BYLAW #662 - SCHEDULE "B"**Capital Sewer Infrastructure Reserve Fund****PURPOSE**

1. The purpose of this reserve is to hold funds designated by Council for:
 - a. The future replacing or upgrading to any sewer infrastructure owned by the Village of Montrose,
 - b. The conducting of engineering studies related to any sewer infrastructure owned by the Village of Montrose,
 - c. The redemption of any debentures issued in respect to any sewer infrastructure owned by the Village of Montrose.

FUNDING

1. The Capital Sewer Infrastructure Reserve shall be a cash reserve established in the Sewer Capital Funds balance sheet of the Village of Montrose.
2. Council may, by resolution, make contributions to the Capital Sewer Infrastructure Reserve Fund through surplus monies of the annual sewer operating fund, at any time.
3. Council may, by resolution, make contributions to the Capital Sewer Infrastructure Reserve Fund through surplus monies of the annual general operating fund, at any time.
4. Council may, by resolution, make contributions to the Capital Sewer Infrastructure Reserve Fund through the transfer of monies from another reserve fund that has been established for a capital purpose, at any time.
5. Council may, by resolution, make contributions to the Capital Sewer Infrastructure Reserve Fund through the transfer of monies from other municipal bank accounts of the Village, at any time.
6. The cash balance of this fund shall be established as a separate, interest-earning account.
7. The interest earned by this reserve fund shall accrue to the reserve and be considered part of the reserve fund.

DRAWS

1. Funds drawn from the Capital Sewer Infrastructure Reserve may be used to finance projects identified above in any given annual budget.
2. All draws from the Capital Sewer Infrastructure Reserve shall be subject to approval by Council resolution.
3. Council may, by resolution, authorize a transfer from this reserve fund to another reserve fund that has been established for a capital purpose.

THE CORPORATION OF THE VILLAGE OF MONTROSE

BYLAW #662 - SCHEDULE "C"

Capital Drainage Infrastructure Reserve Fund

PURPOSE

1. The purpose of this reserve is to hold funds designated by Council for:
 - a. The future replacing or upgrading to any drainage infrastructure owned by the Village of Montrose,
 - b. The conducting of engineering studies related to any drainage infrastructure owned by the Village of Montrose,
 - c. The redemption of any debentures issued in respect to any drainage infrastructure owned by the Village of Montrose.

FUNDING

1. The Capital Drainage Infrastructure Reserve shall be a cash reserve established in the General Capital Funds balance sheet of the Village of Montrose.
2. Council may, by resolution, make contributions to the Capital Drainage Infrastructure Reserve Fund through surplus monies of the annual general operating fund, at any time.
3. Council may, by resolution, make contributions to the Capital Drainage Infrastructure Reserve Fund through the transfer of monies from another reserve fund that has been established for a capital purpose, at any time.
4. Council may, by resolution, make contributions to the Capital Drainage Infrastructure Reserve Fund through the transfer of monies from other municipal bank accounts of the Village, at any time.
5. The cash balance of this fund shall be established as a separate, interest-earning account.
6. The interest earned by this reserve fund shall accrue to the reserve and be considered part of the reserve fund.

DRAWS

1. Funds drawn from the Capital Drainage Infrastructure Reserve may be used to finance projects identified above in any given annual budget.
2. All draws from the Capital Drainage Infrastructure Reserve shall be subject to approval by Council resolution.
3. Council may, by resolution, authorize a transfer from this reserve fund to another reserve fund that has been established for a capital purpose.

THE CORPORATION OF THE VILLAGE OF MONTROSE

BYLAW #662 - SCHEDULE "D"

Capital Transportation Infrastructure Reserve Fund

PURPOSE

1. The purpose of this reserve is to hold funds designated by Council for:
 - a. The future replacing or upgrading to any roadway, path or trail system owned by the Village of Montrose,
 - b. The conducting of engineering studies related to any roadway infrastructure owned by the Village of Montrose,
 - c. The conducting of feasibility studies related to any path or trail system owned by the Village of Montrose,
 - d. The redemption of any debentures issued in respect to any roadway, path or trail system owned by the Village of Montrose.

FUNDING

1. The Capital Transportation Infrastructure Reserve shall be a cash reserve established in the General Capital Funds balance sheet of the Village of Montrose.
2. Council may, by resolution, make contributions to the Capital Transportation Infrastructure Reserve Fund through surplus monies of the annual general operating fund, at any time.
3. Council may, by resolution, make contributions to the Capital Transportation Infrastructure Reserve Fund through the transfer of monies from another reserve fund that has been established for a capital purpose, at any time.
4. Council may, by resolution, make contributions to the Capital Transportation Infrastructure Reserve Fund through the transfer of monies from other municipal bank accounts of the Village, at any time.
5. The cash balance of this fund shall be established as a separate interest-earning account.
6. The interest earned by this reserve fund shall accrue to the reserve and be considered part of the reserve fund.

DRAWS

1. Funds drawn from the Capital Transportation Infrastructure Reserve may be used to finance projects identified above in any given annual budget.
2. All draws from the Capital Transportation Infrastructure Reserve shall be subject to approval by Council resolution.
3. Council may, by resolution, authorize a transfer from this reserve fund to another reserve fund that has been established for a capital purpose.

THE CORPORATION OF THE VILLAGE OF MONTROSE

BYLAW #662 - SCHEDULE "E"**Capital Building, Machinery and Equipment Reserve Fund****PURPOSE**

1. The purpose of this reserve is to hold funds designated by Council for:
 - a. The replacing or upgrading of any buildings, machinery or equipment owned by the Village of Montrose;
 - b. The conducting of engineering and/or feasibility and/or assessment studies related to any building, machinery or equipment owned by the Village;
 - c. The redemption of any debentures issued in respect to any building, machinery or equipment owned by the Village of Montrose.

FUNDING

1. The Capital Building, Machinery and Equipment Reserve shall be a cash reserve established in the General Capital Fund balance sheet of the Village of Montrose.
2. Council may, by resolution, make contributions to the Capital Building, Machinery and Equipment Reserve Fund through surplus monies of the annual general operating fund, at any time.
3. Council may, by resolution, make contributions to the Capital Building, Machinery and Equipment Reserve Fund through the transfer of monies from another reserve fund that has been established for a capital purpose, at any time.
4. Council may, by resolution, make contributions to the Capital Building, Machinery and Equipment Reserve Fund through the transfer of monies from other municipal bank accounts of the Village, at any time.
5. The cash balance of this fund shall be established as a separate interest-earning account.
6. The interest earned by this reserve fund shall accrue to the reserve and be considered part of the reserve fund.

DRAWS

1. Funds drawn from the Capital Building, Machinery and Equipment Reserve may be used to finance projects associated with any capital water infrastructure project valued at TEN THOUSAND dollars (\$10,000) or more.
2. All draws from the Capital Building, Machinery and Equipment Reserve shall be subject to approval by Council resolution.
3. Council may, by resolution, authorize a transfer from this reserve fund to another reserve fund that has been established for a capital purpose.

THE CORPORATION OF THE VILLAGE OF MONTROSE

BYLAW #662 - SCHEDULE "F"

Recreation, Parks and Open Spaces Reserve Fund

PURPOSE

1. The purpose of this reserve is to hold funds designated by Council for:
 - a. The future replacing or upgrading of recreation facilities or equipment owned by the Village of Montrose;
 - b. The purchase of items related to beautification efforts of recreation facilities, parks and open spaces;
 - c. The conducting of feasibility studies related to any recreation facility, park or open space owned by the Village of Montrose;
 - d. The conducting of joint-feasibility studies with area local governments in relation to any recreation, park or open space initiative;
 - e. The redemption of any debentures issued in respect to any recreation, park and open space venture owned by the Village of Montrose.

FUNDING

1. The Recreation, Parks and Open Spaces Reserve shall be a cash reserve established in the General Capital Funds balance sheet of the Village of Montrose.
2. Council may, by resolution, make contributions to the Recreation, Parks and Open Spaces Reserve Fund through surplus monies of the annual general operating fund, at any time.
3. Council may, by resolution, make contributions to the Recreation, Parks and Open Spaces Reserve Fund through the transfer of monies from other municipal bank accounts of the Village, at any time.
4. The cash balance of this fund shall be established as a separate interest-earning account.
5. The interest earned by this reserve fund shall accrue to the reserve and be considered part of the reserve fund.

DRAWS

1. Funds drawn from the Recreation, Parks and Open Spaces Reserve may be used to finance projects identified above in any given annual budget.
2. All draws from the Recreation, Parks and Open Spaces Reserve shall be subject to approval by Council resolution.

THE CORPORATION OF THE VILLAGE OF MONTROSE

BYLAW #662 - SCHEDULE "G"

Community Works Fund Reserve Fund

PURPOSE

1. The purpose of this reserve is to hold funds designated by Council for:
 - a. Eligible projects as outlined in the agreement on the transfer of Federal Gas Tax Revenues under the New Deal for Cities & Communities between the Village of Montrose and the Union of British Columbia Municipalities;
 - b. The redemption of any debentures issued in respect to any projects undertaken by the Village of Montrose that fall within the parameters of the above eligible projects.

FUNDING

1. The Community Works Fund Reserve shall be a cash reserve established in the General Capital Fund balance sheet of the Village of Montrose.
2. Council may, by resolution, make contributions to the Community Works Fund Reserve Fund through the transfer of unused Federal Gas Tax Revenues, at any time.
3. The cash balance of this fund shall be established as a separate interest-earning account.
4. The interest earned by this reserve fund shall accrue to the reserve and be considered part of the reserve fund

DRAWS

1. Funds drawn from the Community Works Fund Reserve may be used to finance projects as per the transfer of Federal Gas Tax Revenues under the New Deal for Cities & Communities between the Village of Montrose and the Union of British Columbia Municipalities.
2. All draws from the Community Works Fund Reserve shall be subject to approval by Council resolution and to eligibility requirements as outlined in the Federal Gas Tax Agreement.

THE CORPORATION OF THE VILLAGE OF MONTROSE

BYLAW #662 - SCHEDULE "H"

Insurance Contingency Reserve Fund

PURPOSE

1. The purpose of this reserve is to hold funds designated by Council to:
 - a. Provide a source for funds to cover the deductible share relating to a municipal liability or property loss insurance claim;
 - b. The Insurance Contingency Reserve shall be a fully funded reserve maintained in a dedicated and interest-bearing account.

FUNDING

1. The initial funding for this reserve shall be TEN THOUSAND, TWO HUNDRED dollars (\$10,200), to be drawn from the previous Insurance Contingency Reserve Bylaw #626.
2. Interest earned by this reserve account shall accrued to, and be retained in the reserve account.
3. When the balance in this reserve at year end in any year is less than TEN THOUSAND dollars (\$10,000), provisions shall be included in the following fiscal year to restore this reserve to its minimum level of TEN THOUSAND dollars (\$10,000) by any means.

DRAWS

1. Draws from this reserve shall be limited to amounts deducted by the insurer from liability or property loss claims.
2. Draws from this reserve shall be subject to approval by Council resolution.

BYLAW #662 - SCHEDULE "I"

Employee Payout Reserve Fund

PURPOSE

1. The purpose of this reserve is to hold funds designated by Council for:
 - a. The future costs associated with payouts to Village employees in respect to Sick Leave and Retirement.

FUNDING

1. The Employee Payout Reserve shall be a cash reserve established in the General Capital Funds balance sheet of the Village of Montrose.
2. Council may, by resolution, make contributions to the Employee Reserve Fund through surplus monies of the annual general operating fund, at any time.
3. Council may, by resolution, make contributions to the Employee Reserve Fund through the transfer of monies from other municipal bank accounts of the Village, at any time.
4. The cash balance of this fund shall be established as a separate interest-earning account.
5. The interest earned by this reserve fund shall accrue to the reserve and be considered part of the reserve fund.

DRAWS

1. Funds drawn from the Employee Payout Reserve may be used to finance projects identified above in any given annual budget.
2. All draws from the Employee Payout Reserve shall be subject to approval by Council resolution.