

Reserve Review – Appendix C: Purposes and Funding Source for Each Reserve

Purpose and Funding Source for Each Reserve

Description of the purpose and funding source of each reserve is proposed for inclusion in the Bylaw. Reserves are created by Council through bylaws and Council has the authority to go outside the purpose of a reserve and the guiding principles established for reserves. However, best practices recommend that reserves be utilized and managed in accordance with established policies as going outside the purpose of a reserve could result in a potential risk. While this provides a list of the primary funding source for reserves, Council maintains the authority to transfer funds in/out of each reserve.

Reserves	Purpose	Funding Source
OPERATING RESERVES		
Community Investments Reserve	To provide funding for Council approved community investments.	The reserve is funded through unused, but Council approved, community investment grants budget.
General Fund Reserve	To provide flexibility to smooth the impact of financial risks associated with revenue fluctuation and cost increases, to take advantage of opportunities, and to ensure the orderly provision of services.	The reserve is funded by the net surplus from the annual General Operating Budget of the City.
Elections and Property Reassessment Reserve (formerly known as Operational Commitments Reserve)	To smooth the financial impact of business needs related to municipal elections and property assessment revaluations. This reserve is not intended to fund property reassessment appeal losses.	The reserve will be funded through the annual General Operating Budget of the City by a transfer of an annual amount equal to 25% of the costs of elections and property reassessments.
Pest Management Reserve (Recommend to close)	To provide funding to smooth the financial impact of fluctuations in the operating budget of the Pest Control Program.	The reserve is funded by the under expenditures in the annual operating budget for the Pest Control Program.
Regina Police Service (RPS) General Reserve	To provide funding to smooth fluctuations in the operating budget of the Regina Police Service. The reserve is occasionally used to fund small one-time capital expenditures requested by the Board of Police Commissioners and approved by Council.	The reserve is funded through the net surplus from the Regina Police Service annual operating budget.
Regina Police Service (RPS) Radio Equipment Reserve	To fund expenditures related to the operating and capital maintenance of the civic radio system.	The reserve is funded through net revenue from the annual operating budget of the RPS Communication Technology Unit (radio shop).

Reserves	Purpose	Funding Source
Social Development Reserve	To provide grant funding for affordable and below market housing developments in accordance with the Housing Incentives Policy (HIP) or other Council approved housing initiatives.	The reserve is funded through Council approved transfers to fund affordable housing initiatives.
Winter Road Maintenance Reserve	To provide funding to smooth the financial impact of fluctuations in the operating budget of the Winter Road Maintenance Program.	The reserve is funded through under expenditures in the annual operating budget for the Winter Road Maintenance Program.
CAPITAL RESERVES		
Asphalt Plant Reserve	To provide funding for the capital requirements and maintenance costs of the asphalt plant.	The reserve is funded through net revenue generated from asphalt plant operations after deducting the cost of producing the asphalt and other expenditures for the asphalt plant operations.
Asset Revitalization Reserve	To provide funding for the City's strategic capital priorities to assist in managing the growth and revitalization of the capital assets and infrastructure of the City. The reserve is not used to fund new developments or new growth projects that are typically funded through servicing agreement fees (SAF).	This reserve is funded through a portion of the City's investment income.
Facility Reserve (Recommend to close)	To provide funding for the capital upgrades for the old Mosaic stadium.	The reserve is funded through rent received from the Saskatchewan Roughriders Football Club (SRFC) Inc. for the old stadium.
Fleet Replacement Reserve	To provide funding for the maintenance and replacement of existing vehicles and equipment for the civic, transit, fire and small tools fleets. It is not used to purchase new equipment to expand the fleet as new equipment is funded separately through the City's capital program.	The reserve is funded through the transfer of an amount each year that is the equivalent of the annual amortization of the existing fleet vehicles and equipment.
Technology Reserve	To provide funding primarily to smooth operating requirements in the Print Shop and on-floor printers, and to fund one-time expenditures related technology	The reserve is funded through net revenue generated from the Print Services operations, including on-floor printers and multi-function devices.

Reserves	Purpose	Funding Source
	equipment enhancements or replacements. The reserve is not intended to fund the capital replacement of all the City technology equipment.	
SELF-SUSTAINING RESERVES		
Cemetery Reserve	To provide funding for capital requirements and maintenance costs of the cemeteries and to smooth operating requirements of the cemetery program.	The reserve is funded through net revenue generated from user-fees after deducting the annual operating expenditures for the cemeteries.
Employer-Provided Parking Reserve	To provide funding for operation, maintenance and capital replacement and renewal requirements of the employer-provided parking facilities.	The reserve is funded through net revenue generated from parking fees after deducting the annual operating expenditures for the employer-provided parking program.
General Utility Reserve	To provide funding for capital upgrades, replacement and maintenance costs related to the Water and Sewer Utility, and to smooth the effect of fluctuations in operating budget for the Water and Sewer Utility.	The reserve is funded through the net revenue generated from the Water and Sewer Utility services.
Golf Course Reserve	To provide funding for capital requirements and maintenance costs of the golf courses and to smooth operating requirements of the golf course program.	The reserve is funded through net revenue generated from user-fees after deducting the annual operating expenditures for the golf course program.
Land Development Reserve	To provide funding for acquisition and development of land held for resale by the City, and to smooth the effect of fluctuations in the operating budget for the Land and Real Estate Management operations.	The reserve is funded through the net revenues generated from the Land and Real Estate operations of the City.
Planning and Sustainability Stabilization Reserve	To provide funding to smooth the effect of fluctuations on operating budget for the City's fee for service building and development activities. It is also used to fund planning and sustainability capital projects.	The reserve is funded through the net fees and charges generated from fee for service development activities.
RRI Stadium Reserve	To provide funding for capital projects related to the stadium and to smooth operating requirements of the RRI stadium.	The reserve is funded through net revenues generated from the RRI Mosaic stadium operations. The primary source of revenues are the approved property tax allocation, tenant lease payments and facility fees charged for regular season Saskatchewan Roughrider games.

Reserves	Purpose	Funding Source
Solid Waste Reserve	To provide funding for landfill closure and post closure liability, renewal and replacement of equipment and capital assets used to deliver the landfill operations, waste diversion program, and recycling program. The reserve is also used to smooth unanticipated risks or operating requirements.	The reserve is funded through net fees and charges generated from the landfill operations, waste diversion program, and recycling program.