Town of Whitby Policy

Policy Title:	Corporate Development Reserve
Policy Number:	F 400
Reference:	Council Resolution #262-19
Date Approved:	September 23, 2019
Date Revised:	N/A
Approval:	Council
Point of Contact:	Financial Services Department

Policy Statement

This is a policy governing the use and administration of the discretionary Corporate Development Reserve.

Purpose

The purpose of the reserve is to provide a funding source for the strategic initiatives relating to the corporate development needs of the Town of Whitby.

Scope

This policy applies to management of the funds reserved for corporate development needs as identified in the operating and capital budgets.

Index

1. Definitions

1.1. Capital Budget means the plan for expenditures and financing sources to complete capital projects or capital expenditures, approved in either an annual budget, in a report to Council or under the Capital Budget Monitoring and Control policy.

1.2. Capital Budget Monitoring and Control policy means the Capital Budget Monitoring and Control policy for the Town of Whitby.

1.3. Capital Expenditure is determined by the nature of the work that is undertaken; it usually is in excess of $5,000 and does not specifically impact a single fixed asset. It includes (but is not limited to) studies, roads crack sealing program etc. It can occasionally be one-time in nature, but usually the expenditure has a benefit lasting more than one year.

1.4. Capital Forecast means the forecasted plan for expenditures and financing sources to complete capital projects or capital expenditures presented in the annual budget. Typically this forecast is nine years (capital budget and nine years capital forecast).

1.5. Capital Project means any expenditure incurred to acquire or improve land, buildings, engineering structures, and to purchase machinery and equipment. It includes vehicles, office furniture and software applications. Normally, it has a benefit lasting more than one year, and results in the acquisition or extension of the life of a fixed asset or the betterment of an existing asset.

1.6. Council means the Mayor and members of Council for the Town of Whitby.

1.7. Treasurer means the employee designated as such by Council for the position. The Treasurer shall exercise all powers and duties of the Treasurer as set out in the Municipal Act.

2. Responsibilities

2.1. The Treasurer or their designate has the authority to utilize the reserve as approved under section 3 of this policy.

3. Utilization of Funds

3.1. The reserve can be used to fund the capital projects / expenditures related to corporate development strategic initiatives. Projects can include (but are not limited to) corporate strategic plans and administrative studies for human resources, administrative facility needs and organizational design.

3.2. The reserve can also be used to fund the operating expenditures related to the corporate development strategic initiatives.

3.3. Usage of the reserve must be identified in the Council approved annual operating budget, the annual capital budget and forecast, in a subsequent report to Council or approved via the Capital Budget Management and Control policy and reported in financial report to Council.

4. Funding Sources

4.1. There is no current ongoing contribution to this reserve beyond the Operating Surplus Disposition policy (if applicable).

4.2. Council can choose to make a tax based contribution during the annual budget approval process.

4.3. The Treasurer can bring forward a report for Council's consideration recommending a reserve transfer into this reserve.

4.4. As per the Capital Budget Monitoring and Control policy, any budget remaining from a closed capital project originally funded from the Corporate Development reserve would be returned to the Corporate Development reserve.

5. Reserve Target Balance

5.1. The minimum uncommitted reserve target balance is $300,000.

5.2. The maximum uncommitted reserve target balance has not been established.

This Policy is hereby approved by Council Resolution #262-19 on this 23rd day of September, 2019.