



Meeting Date: February 1, 2023

Submitted by: Tiffany Farrell, Director of Corporate Services

Report No: CPS-11-2023

Subject: Delaware Hydro Reserve Fund Report

Recommendation:

THAT Report CPS-11-2023 regarding the Delaware Hydro Reserve Fund be received for information.

Purpose:

To provide Council with an update of the Delaware Hydro Reserve Fund and the year end 2022 balance.

Background:

The Delaware Hydro reserve fund policy was last updated in September of 2001. Unless otherwise approved by a specific Council resolution, expenditures from the Fund shall be limited to 50% of the interest earned by the Fund in the previous year. Where an expenditure is approved for a capital project that is initiated by an individual(s) or a community organization, the amount of the expenditure paid from the Fund shall be limited to 50% of the capital project and the 50% balance to be contributed by the individual(s) or the community organization.

The balance of the reserve account as of December 31, 2022, is \$891,740.04.

Analysis:

In recent years, most of the use of the funds relate to the two annual projects (Christmas lights and flower baskets) completed by the Delaware Lioness organization. Both expenses are noted annually in the budget.

Staff are expected to report annually on the Delaware Hydro Reserve Fund which is completed during the annual budget process. However, from time to time, it is important to bring a full summary to Council for information.

The Treasurer shall prepare and maintain a Five-Year Expenditure Forecast and Fund Continuity Schedule to assist in the approval of the annual expenditure budget. At this time the total budgeted operating expenditure for this fund remain at \$10,000 annually from 2023-2027 to cover the two Delaware Lioness's projects and any other Delaware community group's projects that may be applied for. This amount is less than the allowed 50% of interest earned for 2022.

In the fall of 2022, staff completed a communications campaign to advertise the program to Delaware service groups, however, only one application was received from the Delaware Lioness organization.

Included in the 2023-2027 capital budget, is the one capital project being funded from this reserve fund:

Longwood Road Watermain Extension for \$60,000. A report was brought to Council regarding this project in 2021.

Refer to the attached summary of the fund and balances since inception.

Financial Implications:

None

Strategic Plans:

This matter aligns with following strategic priorities:

- Responsive Municipal Government

This report responds directly to Objective 5.3– Foster a culture of innovation, continuous improvement, and cost-effective services by sharing information and gathering input, by continuing our timely and effective communication to the public.

Attachments:

A1 Delaware Hydro Reserve Statement December 31, 2022