



**Meeting Date:** March 24, 2021  
**Submitted by:** Tiffany Farrell, Director of Corporate Services  
**Report No:** CPS-12-2021  
**Subject:** Delaware Hydro Reserve Fund

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**Recommendation:**

THAT Report CPS-12-2021 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 2020 balance.

**Background:**

The Delaware Hydro reserve fund policy was last updated in September of 2001. Unless otherwise approved by 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, 2020 is \$863,694.26.

**Analysis:**

At this time staff are reviewing the Delaware Hydro Reserve Fund policy to determine if any changes are needed. In recent years, the majority of the use of the funds relate to the two annual projects (Christmas lights and flower baskets) completed by the Delaware Lioness organization. Both of these 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.

Additionally, 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 expenditure for this fund remain at \$1,000 annually from 2021-2025 to cover the two Delaware Lioness's projects. This amount is less than the allowed 50% of interest earned.

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

One of the current initiatives is to review the investment strategies, one way to achieve this is to review the status our reserve funds and how to maximize on the utilization and a report will be forthcoming on the Delaware Hydro Reserve Fund and methods to maximize for the growth and well-being of the community.

**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 Fund Statement December 31, 2020