

Appendix E – Reserve Fund Restrictions

Fund Description	Primary Purpose	Target Balance?	Basis for Target Balance	Restrictions
Financial Stability				
City Financial Stability Insurance Debt Reduction	Risk mitigation	Yes	60 days (16.67%) of General Operating expenses	Can be reallocated by motion Can be reallocated by motion Commitment under a signed agreement (\$35.9 million)
Police Financial Stability	Risk mitigation	Yes	Per agreement (2% of operating expenses)	Restricted under terms of Framework Agreement between City, Township of Esquimalt and Victoria Police Board
Water Utility Financial Stability	Risk mitigation	Yes	60 days (16.67%) of operating expenses	Restricted for water utility for which fees were collected
Sewer Utility Financial Stability	Risk mitigation	Yes	60 days (16.67%) of operating expenses	Restricted for sewer utility for which fees were collected
Stormwater Utility Financial Stability	Risk mitigation	Yes	45 days (12.5%) of operating expenses	Restricted for stormwater utility for which fees were collected
Equipment and Infrastructure				
Police Vehicles, Equipment and Infrastructure	Planned capital funding	Yes	Minimum of 0.3% of replacement cost, plus funding of replacement schedule, subject to agreement	Restricted under terms of Framework Agreement between City, Township of Esquimalt and Victoria Police Board
Police Emergency Response Team Vehicles/Equipment	Dedicated revenue source	No	No target balance	Restricted under terms of Framework Agreement between City, Township of Esquimalt and Victoria Police Board
City Equipment Archives Equipment	Planned capital funding Dedicated revenue source	Yes No	Minimum 0.3% of replacement cost, plus funding of replacement schedule	Restricted to capital - can be reallocated by motion to another capital reserve
City Vehicles and Heavy Equipment	Planned capital funding	Yes	Minimum 0.3% of replacement cost, plus funding of replacement schedule	Restricted to capital - can be reallocated by motion to another capital reserve
City Buildings and Infrastructure Accessibility	Planned capital funding	Yes	Minimum 0.7% of replacement cost, plus funding of capital program	Restricted to capital - can be reallocated by motion to another capital reserve
Parking Services Equipment and Infrastructure	Planned capital funding	Yes	Minimum 0.3% of replacement cost, plus funding of capital program	Restricted to capital - can be reallocated by motion to another capital reserve
Multipurpose Equipment and Infrastructure	Planned capital funding	Yes	Minimum 0.5% of replacement cost, plus funding of capital	Restricted as per the terms of the Operating Agreement for the Arena
Recreation Facilities Equipment and Infrastructure Artificial Turf Field (Topaz Park)	Planned capital funding/Dedicated funding source	Yes	Minimum 0.5% of replacement cost, plus funding of capital program No target balance	Restricted to capital for recreation facilities for which fees were collected Restricted for the replacement of the artificial turf field at Topaz Park for which fees were collected

Fund Description	Primary Purpose	Target Balance?	Basis for Target Balance	Restrictions
Gas Tax	Dedicated funding source	No	No target balance	Restricted as per terms of Federal Gas Tax Agreement (now the Canada Community-Building Fund)
Water Utility Equipment and Infrastructure	Planned capital funding	Yes	Minimum 0.3% of replacement cost, plus funding of capital program	Restricted for water utility for which fees were collected
Sewer Utility Equipment and Infrastructure	Planned capital funding	Yes	Minimum 0.3% of replacement cost, plus funding of capital program	Restricted for sewer utility for which fees were collected
Stormwater Utility Equipment and Infrastructure	Planned capital funding	Yes	Minimum 0.3% of replacement cost, plus funding of capital program	Restricted for stormwater utility for which fees were collected
Development Cost Charges	Dedicated revenue source	No	No target balance	Restricted for the projects included in the DCC program and bylaw
Tax Sale Lands	Planned capital funding	Yes	Based on acquisition strategy	Restricted to land purchases and capital improvements
Parks and Greenways Acquisition	Planned capital funding	Yes	Based on acquisition strategy	Restricted to park land purchases and capital improvements
Local Amenities Tree Conservation	Dedicated revenue source	No	No target balance	Varying restrictions as per any agreements at time of collection Restrictions as per Tree Preservation Bylaw
Victoria Housing	Dedicated revenue source	No	No target balance	Can be reallocated by Council motion
Climate Action	Dedicated revenue source	No	No target balance	Can be reallocated by Council motion
Art in Public Places	Dedicated revenue source	No	No target balance	Can be reallocated by Council motion
Downtown Core Area Public Realm Improvements	Dedicated revenue source	No	No target balance	Varying restrictions as per any agreements at time of collection
Development Stabilization Reserve	Dedicated revenue source	No	No target balance	Restricted for development and construction permit regulation costs for which fees were collected
Parks Fixture Dedication Program	Dedicated revenue source	No	No target balance	Restricted to funding the maintenance of the dedicated park fixture over the estimated useful life