

Appendix E – Reserve Fund Restrictions

| Fund Description   | Primary Purpose                                     | Target Balance? | Basis for Target Balance  | Restrictions   |
|--|---|-----------------|---|--|
| <b>Financial Stability</b>   |   |                 |   |  |
| City Financial Stability<br>Insurance<br>Debt Reduction                                  | Risk mitigation                                     | Yes             | 60 days (16.67%) of General Operating expenses  | Can be reallocated by motion<br>Can be reallocated by motion<br>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  |
| <b>Equipment and Infrastructure</b>  |   |                 |   |  |
| 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<br>Archives Equipment   | Planned capital funding<br>Dedicated revenue source | Yes<br>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<br>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<br>Artificial Turf Field (Topaz Park) | Planned capital funding/Dedicated funding source    | Yes             | Minimum 0.5% of replacement cost, plus funding of capital program<br><br>No target balance      | Restricted to capital for recreation facilities for which fees were collected<br>Restricted for the replacement of the artificial turf field at Topaz Park for which fees were collected |

| <b>Fund Description</b>                             | <b>Primary Purpose</b>   | <b>Target Balance?</b> | <b>Basis for Target Balance</b>                                   | <b>Restrictions</b>   |
|---|--------------------------|------------------------|---|---|
| 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   |
| <b>Development Cost Charges</b>                     | Dedicated revenue source | No                     | No target balance   | Restricted for the projects included in the DCC program and bylaw   |
| <b>Tax Sale Lands</b>                               | Planned capital funding  | Yes                    | Based on acquisition strategy                                     | Restricted to land purchases and capital improvements   |
| <b>Parks and Greenways Acquisition</b>              | Planned capital funding  | Yes                    | Based on acquisition strategy                                     | Restricted to park land purchases and capital improvements  |
| <b>Local Amenities</b><br>Tree Conservation         | Dedicated revenue source | No                     | No target balance   | Varying restrictions as per any agreements at time of collection<br>Restrictions as per Tree Preservation Bylaw |
| <b>Victoria Housing</b>                             | Dedicated revenue source | No                     | No target balance   | Can be reallocated by Council motion  |
| <b>Climate Action</b>                               | Dedicated revenue source | No                     | No target balance   | Can be reallocated by Council motion  |
| <b>Art in Public Places</b>                         | Dedicated revenue source | No                     | No target balance   | Can be reallocated by Council motion  |
| <b>Downtown Core Area Public Realm Improvements</b> | Dedicated revenue source | No                     | No target balance   | Varying restrictions as per any agreements at time of collection  |
| <b>Development Stabilization Reserve</b>            | Dedicated revenue source | No                     | No target balance   | Restricted for development and construction permit regulation costs for which fees were collected               |
| <b>Parks Fixture Dedication Program</b>             | Dedicated revenue source | No                     | No target balance   | Restricted to funding the maintenance of the dedicated park fixture over the estimated useful life              |