


<b>Reserve Policy – Waste Management Recycling Reserve</b>	 Hamilton	<b>Corporate Services Department</b>
Policy No: XXX - X		
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<b>POLICY STATEMENT</b>	This Policy sets out the guidelines for the sources, uses and appropriate target level for the balance in the Waste Management Recycling Reserve.
<b>PURPOSE</b>	This reserve was established for the Recycling Program to offset the significant unfavorable budget variances due to recycling revenue fluctuations.
<b>SCOPE</b>	This Policy applies to all City employees that manage financial resources.
<b>PRINCIPLES</b>	<p>The following principles apply to this Policy:</p> <p><b>Authority:</b></p> <ul style="list-style-type: none"> <li>• All uses of the funds in the Waste Management Recycling Reserve must be approved by City Council either by a budget submission, by a separate Council report or by a motion of City Council.</li> <li>• Staff in the operating departments must make a request of the Financial Planning and Policy Division of the Corporate Services Department responsible for reserves for approval to use the Reserve. All relevant information is to be included with the request.</li> <li>• The General Manager of Finance and Corporate Services has the authority to recommend the use of this reserve or other reserves to fund expenses or revenue shortfalls.</li> </ul> <p>The <b>source of funds</b> that are to be transferred to this reserve include:</p> <ul style="list-style-type: none"> <li>• Contributions from the operating budget.</li> <li>• Year-end recycling operating budget surplus subject to the overall corporate operating budget surplus and Council approval.</li> <li>• One time revenues for specific recycling initiatives.</li> <li>• Investment income earned on the reserve’s balance as per policies and procedures</li> </ul> <p>The <b>use of funds</b> from this reserve is permitted if other sources of funding are not available. Uses may include:</p> <ul style="list-style-type: none"> <li>• Recycling program deficits.</li> <li>• Recycling program improvements, such as, pilot programs and one-time capital expenditures.</li> <li>• Recycling infrastructure capital projects.</li> </ul>

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<b>RESERVE BALANCE TARGET LEVEL</b>	The balance in the reserve has a target level %, target level \$ and ceiling as follows:  Target Level %: Not applicable Target Level \$: \$4 million (based on 5 year rolling average of revenue shortfalls of \$3 million plus \$1 million.) Ceiling: N/A		
<b>GOVERNING LEGISLATION</b>	There is no legislation governing the use of this reserve.		
<b>RESPONSIBILITY FOR THE POLICY</b>	Corporate Services Department Director of Financial Planning and Policy		
<b>POLICY HISTORY</b>	This reserve policy replaces the general reserve policies that were approved by Council in October 2005 (Report FCS0511).		