

Type of Decision									
Meeting Date	Friday, March 23, 2012				Report Date	Thursday, March 15, 2012			
Decision Required	X	Yes		No	Priority	X	High		Low
Direction	X	Information Only			Type of Meeting	X	Open		Closed

REPORT TITLE
Budgeted Reserves Report #23/03/12/1201

Subject: Allocate funds to specific reserves.

RECOMMENDATION: That Council approve the following resolution allocating funds to the Hall/Office Replacement Reserve Fund.

WHEREAS the Council of the United Townships of Head, Clara & Maria does recognize the importance of saving for the eventual replacement of the office/hall/library facility;

AND WHEREAS a new line item has been included in the Reserve document;

THEREFORE BE IT RESOLVED THAT the Council of the United Townships of Head, Clara & Maria does hereby agree to set the Target Balance for that column at \$800,000 to more accurately reflect the estimated value of the building;

AND FURTHER THAT \$25,000 of the current year budget is allocated to that reserve.

Background/Executive Summary: The insured value of the building itself is \$738,192 with an additional \$63,257 for equipment. Our insurance policy is \$3.5 million for physical damage with a \$2,500 deductible for each occurrence.

The need for a reserve fund is to provide for replacement due to the general wear and tear and replacement of the building and not simply maintenance and/or insured replacement due to some type of damage – e.g. fire etc. Most other reserve balances are close to their targets, with this one only being created, it makes sense to deposit a large amount.

Financial Implications/Budget Impact: Already budgeted for, the choice is simply allocation.

Policy Impact: None, as per policy.

Others Consulted/Resources: Insurance policy.

Approved and Recommended by the Clerk	
Melinda Reith, Municipal Clerk	<i>Melinda Reith</i>