



TOWN OF THREE HILLS

POLICY # 670

WATER/WASTEWATER OPERATING RESERVE POLICY

Adopted by Council on: July 13, 2020
Resolution No.: 359-2020

1. PURPOSE

- 1.1. The purpose of this Policy is to establish a Water/Wastewater Operating Reserve in accordance with Policy 530 – Reserves Policy, as amended.
- 1.2. The Water/Wastewater Operating Reserve shall be used to provide funding for water/wastewater expenses of an operating nature. Such expenses may include:
 - 1.2.1. Operating expenses for the day-to-day operation and maintenance of the Water Treatment Plant;
 - 1.2.2. Operating expenses for the maintenance and repair of water meters;
 - 1.2.3. Operating expenses for the day-to-day operation and maintenance of the Town’s water supply and distribution network; and
 - 1.2.4. Operating expenses for the day-to-day operation and maintenance of the Town’s wastewater network.

2. AUTHORITY

- 2.1. The authority for this Policy is by resolution of the Council of the Town of Three Hills.
- 2.2. This Policy shall comply with Policy 530 – Reserve Policy, as amended.

3. TARGETS

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|------------------------------------|--------------|
| 3.1. Targeted Minimum Balance: | \$10,000.00 |
| 3.2. Targeted Maximum Balance: | \$500,000.00 |
| 3.3. Targeted Annual Contribution: | \$25,000.00 |

4. POLICY GUIDLINES

- 4.1. The General Ledger account for the Water/Wastewater Operating Reserve will be GL # 1-4-4101-71000 – Water/Wastewater Operating Reserve.
- 4.2. The Chief Administrative Officer, or designate, will ensure the overall effective

administration of dedicated reserves in accordance with Policy 530 – Reserves Policy.

- 4.3. Annually, in conjunction with the budget process and the presentation of the audited financial statements to Council, a list indicating the current and previous year-end balances for this reserve will be provided.
- 4.4. The use of this reserve to fund any expenditure must be by way of a Council.

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