

**SCHEDULES: By-law Number 2021-046**

<b>Schedule Reference:</b>	<b>ST7</b>
<b>Reserve Fund Category:</b>	<b>Stabilization</b>
<b>Reserve Fund Name:</b>	<b>Personnel Matters Contingency</b>
<b>Financial Statement Location:</b>	<b>Surplus Allocation</b>

The Personnel Matters Contingency Reserve Fund (the “Fund”) is hereby established to receive and hold property tax sourced contributions for funding periodic unexpected unbudgeted personnel related costs or planned personnel initiatives or studies, which may include, but are not strictly limited to confidential severance payments or settlements, tribunal or legal costs, penalties and awards, compensation reviews, pay equity adjustments, employee engagement and employee surveys.

Contributions may be established in annual budgets, or be allocations of year-end operating or capital surpluses including but not limited to unused budget funds established personnel initiatives or costs. Fund balances will earn and retain annual interest allocations as determined annually by the Treasurer.

The target balance in this reserve fund account is set at 10% of the Township’s annual salaries and benefits cost budget. Allocations of balances in the Fund will be planned for specific projects and purposes as approved by Council during the annual budget process or other times throughout the year, or made as part of the year-end accounting processes as reported to Council for approval by the Treasurer.

At any time, acting in the best interests of the Township, Council may direct that some or all balances in the Fund be transferred to other reserve funds, or be used for other purposes, provided that the transfer or use of tax sourced funding is appropriate in the circumstances.

The Fund is hereby established arising from the renaming of the existing Personnel Matters reserve account G/L # 10-03-0400-1120 and balance.