

**Water Infrastructure Capital Reserve  
Policy No: 1520**

**Approval: Town Council  
Effective Date: April 15, 2010**



Supersedes Policy No: none

**Policy Statement:** The Town of Hardisty believes that it is in the ratepayers' best interests that the property tax mill rate remains stable and predictable over time. As the Town is in a position where capital upgrades are required on Water Infrastructure, this Reserve has been established to mitigate the effect on the property tax and/or operating budget. Funds generated from the flat rate Water Infrastructure charge being implemented May 1, 2010 will be used to fund this reserve.

- All transfers to and from the Water Infrastructure Capital Reserve shall be approved by Council.
- This reserve is intended for the use of funding partially or entirely the costs to undertake Water Infrastructure Capital projects. This will include any Capital project over \$25,000 in value, and may include costs for Design and Engineering, Geotechnical investigations and costs, and construction costs. Work must be of a water infrastructure nature. It may include work related to water wells, water mains, water treatment plant, and associated facilities.
- This reserve is not to be used to fund any non water related project(s).
- Any proceeds on the disposal of any capital items shall be credited to the this reserve.
- Sufficient financial assets should be held by the Town to fund the balance sitting in this reserve.
- The General Ledger account for the Water Infrastructure Capital Reserve will be GL # 4-41-00-764-00 and GL # 3-01-00-732-00 (Water/Wastewater Infrastructure Savings Account).