

## **Appendix E – Debt Servicing Reserve Fund Criteria**

Location within the Consolidated Reserves and Reserve Funds Schedule

Schedule No. 7 – Corporate Discretionary Reserve Funds

Statement of Purpose

This reserve fund will be used to mitigate effects of the rising costs of capital and capital financing, and reduce the volatility of the City's annual debt service costs.

Beneficiary Program

The Office of the Chief Financial Officer and Treasurer

Initial Contribution

Balance of \$195,421,501 to be transferred from the Debt Servicing Stabilization Reserve (XQ0709).

Contribution Policy

Repayments of recoverable debt funded capital projects including contributions from Non-Program for lower rental expenditures achieved through leases being collapsed for ModernTO. Contributions may also be made at the discretion of the Chief Financial Officer and Treasurer pursuant to the City's Surplus Management Policy.

Withdrawal Policy

Funds will be withdrawn either as part of the normal Budget process or through a specific report to Council authorizing the purpose and amount of the withdrawal.

Review Cycle

The account will be reviewed a minimum of once every five years.