

# APPENDIX A



Policy Title: **Security Deposit Retention Policy**  
Policy Category: **Financial Control**  
Policy No.: FC-020  
Department: Corporate Services  
Approval Date: June 15, 2015  
Revision Date: N/A  
Author: Brad Witzel  
Attachments: N/A  
Related Documents/Legislation:  
CORP2015-045 Security Deposit Retention Policy

Key Word(s): Security Deposit

## **POLICY STATEMENT:**

The Council for the City of Waterloo is committed to demonstrating financial leadership and sustainability. This policy assists in formalizing a defined, transparent and flexible process for retaining security deposits.

## **PURPOSE:**

This policy establishes a defined and transparent process for the length of time a security deposit shall be held before being deemed forfeited to the Corporation.

## **DEFINITIONS:**

### **Security Deposit:**

Security deposit is a sum of money held in trust

## **SCOPE:**

This policy applies to security deposits collected by the City of Waterloo under the old Performance Deposit process. This policy does not apply to security deposits collected by the City of Waterloo under the current Letters of Credit process (See Policy FC-001).

## **POLICY COMMUNICATION:**

Council will receive this policy for approval. If approved, the policy will be posted on the city's intranet. Staff will be advised of the policy via distribution to the Operational Leadership Team and Corporate Management Team.

**Mandatory Policy, *Municipal Act*: No**

**Policy Administration Team, Review Date: March 23, 2015**

**Corporate Management Team, Review Date: April 1, 2015**

**POLICY:**

1. That security deposits are deemed forfeited to the Corporation after a one (1) year public notice period. After such time, if the developer has not contacted the City and made arrangements to the satisfaction of both parties to resolve the outstanding site issues the deposit will be forfeited to the City. The one (1) year public notice period will be in effect from June 24, 2015 to June 24, 2016.
2. After the public notice period has expired, forfeited security deposits will be transferred 70% to the Capital Infrastructure Reinvestment Reserve Fund and 30% to the Stormwater Utility Reserve.
3. Should any developer come forward with documentation that a non-compliant site has been resolved to the satisfaction of the City after the one (1) year public notice period; the deposit will still be subject to a refund.
4. A record of all deposits forfeited will be maintained by City staff.

**COMPLIANCE:**

In cases of policy violation, the City may investigate and determine appropriate corrective action.