

## **POLICY NO. 2001/04**

**POLICY TITLE:** Annual Contributions to Function Reserve


**DATE ADOPTED:** April 10<sup>th</sup>, 2001

**POLICY PURPOSE:** To establish a guideline for and timely method of accumulating reserves to replace Town of Bentley capital equipment and infrastructure by function.

It is acknowledged all deficits in the budget by function are generally covered by taxes.

It is also acknowledged and affirmed a "User Pay" system of replacement for equipment and infrastructure is always the preferred method of funding.

- POLICY:**
1. This policy shall apply to the following functions:
    - 23 - Fire Protection Services
    - 32 - Road Transport (Streets, Sidewalks, Lighting)
    - 41 - Water Supply and Distribution
    - 42 - Sanitary Sewage Service and Treatment
    - 43 - Garbage Collection and Disposal
    - 72 - Recreation - Arena
  2. The CAO or auditor shall make all reserve contributions in all functions as per the adopted budget unless otherwise resolved by Council.
  3. Annually in March or April the CAO shall present to Council a summary of actual Revenues and Expenses by function, indicating profits and losses.
  4. From the summary of Revenue and Expenses, Council shall determine whether there are adequate funds to transfer to reserve for that year in the above functions.
  5. Council shall make every effort to ensure contributions to reserves do not result in the Town being in an overall deficit position on the annual financial statement.

  
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Mayor

  
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Chief Administrative Officer