

Rural Municipality of Riding Mountain West

Box 110

Inglis, Manitoba R0J 0X0

Ph: 204-564-2589

Fax: 204-564-2643

Email: info@rmwest.ca

Website: rmwest.ca

Policy No. FIN – 05	Reference: The Reserve Funds Bylaw No 2021-09
Policy Title: Surplus Distribution Policy	Pages: 2
Policy Effective: 2021 Financial Year-end	Adopted by Resolution No. 21-715

PRINCIPLES

The purpose of this policy is to identify the distribution of any Surplus Funds at the end of any fiscal year.

PREAMBLE

It is deemed to be in the best interest of the municipality that when there is a surplus of funds at the end of any year it be partially distributed to the Reserve Funds rather than totally to the Surplus Fund, to build the Reserve Funds for the purposes for which they are established.

DEFINITIONS

1. Unrestricted Surplus: is the portion of the accumulated surplus that results from excess revenue less 20% retained as 'Surplus' only, but does not include the Transportation Category Surplus, and not specifically being dedicated to an identified reserve account as in a Special Services Bylaw.
2. Transportation Category Surplus: is the portion of the annual surplus calculated from the Transportation Category based on actual revenues against actual expenditures.

RESERVE FUND ACCOUNTS

The following Reserve Accounts will be allocated a share of any Unrestricted Surplus and any Transportation Category Surplus as follows:

1. General Reserve:
 - (a) Unrestricted Surplus - Twenty-five percent (25%).
2. Roads Restricted Reserve:
 - (a) Unrestricted Surplus – Ten percent (10%)
 - (b) Transportation Category Surplus - Forty-five percent (45%)

3. Building Reserve:
 - (a) Unrestricted Reserve – Twelve and one-half percent (12.5%)

4. Machinery Repair and Replacement Reserve:
 - (a) Unrestricted Surplus – Ten percent (10%).
 - (b) Transportation Category Surplus – Thirty percent (30%)

5. Bridge Reserve:
 - (a) Unrestricted Surplus – Ten percent (10%)
 - (b) Transportation Category Surplus – Twenty-five percent (25%)

6. Well Reserve:
 - (a) Unrestricted Surplus - Ten percent (10%)

7. Cemetery Reserve:
 - (a) Unrestricted Surplus – Two and one-half percent (2.5%)

8. Angusville Fire Reserve:
 - (a) Unrestricted Surplus – Ten percent (10%)

9. Inglis Fire Reserve:
 - (a) Unrestricted Surplus – Ten percent (10%)

REPEALED POLICY:

Repeals and Replaces Policy No. FIN-04 – Reserve Accounts Policy.