

## Appendix R

# Sample Financial Reserve Bylaw

The Community Council of \_\_\_\_\_.  
Financial Reserve Bylaw No. \_\_\_\_\_.

Being a bylaw of the community council of \_\_\_\_\_ to provide for the establishment of a financial reserve.

**Whereas** The Northern Affairs Act, being chapter N200 of the Continuing Consolidated Statutes of Manitoba provides in part:

### **Reserve Funds**

146(1) A council may by bylaw establish reserve funds for specific purposes.

### **Surplus may be transferred to reserve fund**

146(2) If in the preceding year actual operating revenue exceeded actual operating expenditures, a council may direct that the surplus amount be placed in a reserve fund.

### **Expenditure from reserve with specific purpose**

146(3) Money in a reserve fund, and interest earned on it, must be used for the purpose for which the fund was established, except where a council has applied to the minister and obtained his or her written approval for using it for purpose other than that for which the reserve fund was originally established.

### **Investments**

(151) A council may invest its money only in the securities that a municipality can invest in under section 181 of The Municipal Act.

### **Filing Requirement – bylaws**

176(1) The council of a community that is not incorporated must ensure that a copy of each bylaw it passes is filed with the minister in accordance with regulations.

### **Coming into force of bylaw delayed**

176(2) A bylaw filed with the minister under subsection (1) comes into force 30 days after the day it is filed, unless the bylaw provides for a later date.

**Now therefore**, the council of the community of \_\_\_\_\_ hereby enacts:

### **Citation**

**1** This bylaw may be cited as the Financial Reserve Bylaw.

### **Creation of reserve funds**

**2** (a) Council creates the following replacement reserve funds:

- a) Utility Vehicle Reserve Fund
- b) Water Truck Reserve Fund
- c) Contribution to Capital Fund
- d) Waste Disposal Site Cell

(b) Council creates the following operating reserve funds:

- a) Emergency Repair Fund
- b) Road and Ditching Fund
- c) Pump Replacement Fund
- d) Fire Equipment Fund

### **Investments**

**3** Each reserve fund created under section 2, shall be held in a separate account, which shall be invested as authorized by section 151 of The Northern Affairs Act.

### **Proper officers for replacement reserves**

**4** The signing officers of the council shall be the proper officers to make the necessary deposits, receive information on the accounts, and with prior written approval of the minister, may make withdrawals from the reserve fund in accordance with the community management plan.

### **Proper officers for operating reserves**

**4.1** The signing officers of the council shall be the proper officers to make the necessary deposits, receive information on the accounts, and with approval by way of council resolution, may make withdrawals from the reserve fund.

### **Effective date**

**5** This bylaw comes into force 30 days after the date it is filed with the minister through the Bylaw Registry Office of Manitoba Municipal and Northern Relations.

**Done and passed** by the council according to the readings of this bylaw as noted.

Read a first time this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by Resolution No. \_\_\_\_\_

Read a second time this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by Resolution No. \_\_\_\_\_

Read a third time this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by Resolution No. \_\_\_\_\_

\_\_\_\_\_  
mayor's signature

\_\_\_\_\_  
community administrative officer's signature

This bylaw is filed in the Bylaw Registry Office as Bylaw No. \_\_\_\_\_ and takes effect as of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Registrar