

Appendix 6

Policies

P

Title: Financial Controls

Policy No: 1009

Approval: County Council

Effective Date: September 27, 2006

Supersedes Policy No:



Mountain View
C O U N T Y

O

Policy Statement: Mountain View County (the County) will establish financial controls.

Purpose: The purpose of the policy is for Council to set the overall direction for establishing financial controls.

L

Principles:

1. Council has ultimate accountability to the tax payers for how County funds are expended. This includes authorizing and verifying expenditures.
2. Council's main tools for ensuring that funds are expended appropriately are:
 - a. the annual budget process,
 - b. regular financial reporting of expenditures compared to budget,
 - c. collection of revenue and issuing receipts,
 - d. review and signing of cheques by the Reeve,
 - e. the approval of new, permanent positions,
 - f. delegation of responsibility for financial controls to the Chief Administrative Officer (CAO),
 - g. the audit committee and
 - h. the annual external audit.

I

C

NOTE:

Regulations pertaining to the above principles are attached in Appendix "A" which form part of this policy. The regulations can only be changed under the direction of Council.

End of Policy:

Approved: September 27, 2006

Y

APPENDIX “A”

1. Budget

- 1.1 Capital and Operating budgets will be prepared annually in accordance with Sections 242 – 247 of the Municipal Government Act (MGA), by the CAO or their delegate. Council will provide direction to the CAO and adopt the budget when they are satisfied with the content.
- 1.2 As part of the budget process Council will set the annual tax rates.
- 1.3 Once the operating, interim and/or capital budget is passed by Council the CAO has the authority to authorize the expenditure of funds and payment of accounts according to the approved budget as per Section 248 of the MGA.
- 1.4 Some variances from budget are expected. As long as expenditures remain consistent with the budget as approved by Council, and overall expenditures do not exceed the total budgeted expenditures by more than 1% of municipal tax revenue the CAO has the authority to approve additional expenditures or decrease expenditures. By remaining consistent with the budget its intended that the CAO is able to increase expenditures in areas that are already included in the budget but not add new programs or initiatives. When expenses have increased in one area the CAO should strive to reduce expenditures in other areas by a corresponding amount.
- 1.5 The CAO has the authority to cancel or suspend initiatives that were approved in the budget. If this occurs the CAO will contact the Reeve immediately and will report to Council, at the next regularly scheduled Council meeting, the initiatives involved and the circumstances that led to cancellation or suspension. Once contacted the Reeve may call a special meeting of Council, at their discretion. If an initiative is delayed this should be noted when explaining variances as part of financial reporting.
- 1.6 When there is the need for additional expenditures that are not consistent with or anticipated in the budget, these would be brought to Council to receive approval of the expenditure and to determine the source of funding for the expenditure.
- 1.7 Contracts with a total value which exceeds \$100,000 and extends beyond 12 months must be approved by Council.
- 1.8 The funds for any specific initiatives not completed may be placed in a reserve to be spent within 36 months.

2. **Financial Reporting**

- 2.1 The CAO will ensure accurate records and accounts are kept of the financial affairs of the County as per Section 208(1)(j) of the MGA.
- 2.2 Financial reporting is used primarily to verify County expenditures.
- 2.3 The Policies and Priorities Committee will receive regular financial reports which give information on operating funds, capital funds, reserves and expenditures approved subsequent to the initial budget. Actual results should be compared to budgeted amounts and significant variances highlighted.
- 2.4 Generally reporting will be monthly and at a program level but Council may request any reporting frequency and level of detail that they deem necessary and appropriate.

3. **Revenues and Receipts**

- 3.1 Revenues may be collected in cash, cheque, money order, electronic transfer, debit card, or credit card.
- 3.2 Receipts will be issued where practical and may be either on paper or electronically.

4. **Review of Cheques**

- 4.1 The Reeve and CAO's signatures, or their designate's signatures, will appear on all general cheques.
- 4.2 Only the CAO's or their designate's signature is necessary for payroll cheques.
- 4.3 The Reeve or Deputy Reeve and the CAO, or their designate, should conduct a general review of each general cheque run noting payees and amounts. This is not an approval process and it is not expected that they review the back up documentation for each cheque, although back up documentation will be provided if requested.
- 4.4 Signatures for cheques may be hand written, lithographed or reproduced electronically.
- 4.5 The cheque register listing the payees and amounts for each general cheque run should be made available to Council members for examination.
- 4.6 As per section 270 of the MGA only the CAO may authorize the opening or closing of accounts that hold money for the County.

- 4.7 As per Section 208(h) of the MGA Council must approve all County financial institutions. Currently these include the Royal Bank of Canada, Mountain View Credit Union, Alberta Treasury Branch, CIBC Wood Gundy and UBS Global Asset Management (Canada).
5. **Approval of Positions**
- 5.1 Any new permanent positions require the approval of Council.
6. **Delegation to CAO**
- 6.1 The Bylaw which appoints the CAO delegates responsibility for maintaining financial controls to the CAO. The CAO will establish the necessary and appropriate financial control procedures to support this policy.
7. **Audit Committee**
- 7.1 An Audit Committee will be formed as per the Audit Committee Policy.
8. **Audit**
- 8.1 An annual audit of the County's financial statement as per Sections 280 – 283 of the MGA will be done under the direction of the Audit Committee.
- 8.2 Any services in addition to audit services, that are performed by the firm that Council has appointed as the auditors, must be approved by Council

P

Title: Tangible Capital Assets

Policy No: 1017

Approval: County Council

Effective Date: January 1, 2009



Mountain View
C O U N T Y

Supersedes Policy No:

O

Policy Statement: Mountain View County (the County) will establish a policy concerning the accounting for and management of Tangible Capital Assets (TCA)

L

Purpose: The purpose of the policy is for Council to set the overall direction for the treatment of TCA which is consistent with the regulations given in Public Sector Accounting Handbook Section 3150 (PS 3150) and that gives the County information about TCA so that Council and Administration can make sound decisions concerning the purchase, disposal and maintenance of TCA.

Principles:

1. PS 3150 establishes the regulations under which the County will be governed.
2. Tangible Capital Assets are non-financial assets having physical substance that:
 - are used on a continuous basis by the County
 - have useful economic lives extending beyond one year
 - are not for resale in the ordinary course of operations
3. As set out in PS 3150, TCA should be recorded at the cost of obtaining the asset or in the case of contributed assets at the fair value of the asset.
4. Subsequent expenditures on a recorded TCA that:
 - increase output or service capacity
 - increase the service life
 - lower associated operating costs
 - improve the quality of the output

I

should be classified as betterments and capitalized accordingly. Any other expenditure should be considered a repair or maintenance and should be expensed in the period.

C

5. TCA should be classified under one of the following major/minor asset classifications:

- Land
- Land Improvements
- Buildings

Y

P

- Engineered Structures
 - Roadway System
 - Water System
 - Waste Water System
 - Storm Water System
 - Other Utilities System
- Machinery & Equipment
- Vehicles
- Cultural & Historical

O

6. The cost, less any residual value, of a TCA with a limited life should be amortized over its useful life in a rational and systematic manner.
7. The amortization method and estimate of useful life of the remaining unamortized portion should be reviewed on a regular basis and revised when the appropriateness of a change can be clearly demonstrated. The amortization method and useful life will be established on an asset by asset basis. Although in practice there will likely be similar if not the same amortization methods and useful lives for most assets within a class.

L

8. Guidelines for the capitalization thresholds, amortization method, and how often these should be reviewed are given in the TCA Procedure.
9. When conditions indicate that the net recorded value of a TCA is greater than the value of the asset to the County, the recorded value should be adjusted as appropriate.

I

Items not required by PS 3150:

10. Maintenance costs for TCA should be maintained and where appropriate the condition of TCA should be recorded.
11. Where appropriate maintenance schedules should be established.
12. Long range replacement plans should be developed and maintained.

C

13. When TCA are disposed of they should be disposed of in a manner that maximizes the net sales value/minimizes the net disposal costs.
14. When a TCA is disposed of that has an expected net sales value above the recommended capitalization threshold, the asset shall be disposed of through a public process.

End of Policy:

Y

Approved: March 26, 2008

P

Title: Reserves

Policy No: 1008

Approval: County Council

Effective Date: September 27, 2006



Mountain View
C O U N T Y

Supersedes Policy No: Section E 6. (a) – Section E 7(c)

O

Policy Statement: Mountain View County (the County) will establish reserve funds. The reserve funds will be set aside and used under the direction of County Council.

L

Purpose: The purpose of the policy is for Council to set the overall direction concerning why the County has reserves and how they are used.

I

Principles:

1. The general purpose of reserves is to 'smooth out' the normal fluctuations in the level of County expenditures from budget year to budget year. This gives rate payers greater certainty concerning their tax rates and works to avoid large tax rate changes in any given year.
2. The items that would generally cause fluctuations in expenditures would be:
 - a. large expenditures that only happen periodically (e.g. large capital projects),
 - b. initiatives that were planned and funded for a particular year but delayed till a future year (e.g. road re-chipping that could not be completed due to weather),
 - c. items that have large unpredictable variances from year (e.g. snow removal costs),
or
 - d. items related to one time start up costs for an initiative (e.g. start up costs related to the provision of a GIS system).
3. Reserves will be used so that in most cases the County will not need to use long term financing to complete initiatives. This means that when we know of a large future initiative the County will start building reserve funds over a number of years in order to have collected funds in advance to pay for the initiative. Current tax payers will be paying for future initiatives but would receive the benefits of past initiatives and the benefit of earning rather than paying interest. However the need to use long term financing should not necessarily cause an initiative to be rejected.
4. The secondary goal of holding reserves is to avoid short term borrowing. Reserve funds are expected to be used to provide internal short term financing between January 1 and when taxes are collected. However, reserve funds should not be specifically collected and held to provide short term financing.
5. Attached in Appendix A are descriptions for each reserve which lists the purpose of the reserve, regulations specific to the reserve and background information.

C

Y

End of Policy:
Approved: October 11, 2006
Amended: August 8, 2007

Policy 1008

Mountain View County Reserves

Appendix A

Operational Reserves:

Road Maintenance Reserve	(O.a)
Snow Removal	(O.b)
Pit Stripping and Reclamation Reserve	(O.c)
Projects Reserve	(O.d)
Public Transportation	(O.e)
FCSS	(O.f)
Tax Rate Stabilization	(O.g)
Park Facilities	(O.h)
General Fire	(O.i)
Didsbury Fire	(O.j)
Rural Community Grant	(O.k)
Road Network Reserve	(O.l)
Agriculture Reserve	(O.m)

Capital Reserves:

Heavy Equipment Reserve	(C.a)
Facility Reserve	(C.b)
Office Equipment Reserve	(C.c)
Sundre Airport Reserve	(C.d)
Olds/Didsbury Airport Reserve	(C.e)
Water and Sewer Infrastructure Reserve	(C.f)

Policy 1008 (O.a) Road Maintenance Reserves

Purpose:

In Mountain View County Road Maintenance projects can be significantly impacted by weather and other factors outside the control of County staff. When weather or other factors prevent maintenance work from being completed in a budget year the funds associated with the work should be transferred to the next budget year. This is to recognize that when maintenance work is delayed it still needs to be completed in order to maintain road quality. In addition, weather and other factors can create or negate the need for maintenance work.

This reserve is to transfer surplus (deficit) funds from Road Maintenance projects from year to year. This is both in instances when specific work can be identified (e.g. re-graveling or re-chipping work not completed) or where there is general budget variances not related to specific work (e.g. less road patching required). This reserve includes all the various components of the Road Maintenance budget but specifically excludes snow removal, which has its own reserve.

Regulations:

1. For financial reporting purposes this reserve is treated as a single reserve although for internal purposes may be split into individual components to track year to year variances in the various maintenance categories.
2. This reserve may be comprised of amounts that are identified with specific work (e.g. 15,000 yards of re-graveling work) or may be related to general reserves.
3. There is no limit to the amount of the reserve that is associated with specific work that is being carried over from year to year.
4. General reserves are targeted to be at 3% of the annual Road Maintenance Budget but not to exceed 10%.
5. This reserve does not accrue interest.

Background:

This reserve replaces the specific reserves that were previously kept to carry forward road maintenance funds from year to year.

Policy 1008 (O.b) Snow Removal Reserve

Purpose:

Mountain View County maintains a snow removal reserve to offset unbudgeted expenditures in years of unusually heavy snowfall and to carry forward funds from years with low snowfalls.

Regulations:

1. The size of the reserve shall be based on the highest actual snow removal expenditure in the preceding five-year period.
2. The reserve shall not exceed the difference between the current budgeted snow removal amount and the highest actual snow removal expense in the preceding five-year period or 30% of the current year's snow removal budget, which ever is greater.
3. Snow removal expenditures in excess of the current year's budgeted amount will be offset by transfers from this reserve.
4. The snow removal reserve shall be increased only in years where there is a general operating surplus.
5. This reserve does not accrue interest.

Policy 1008 (O.c) Pit Stripping and Reclamation Reserve

Purpose:

Mountain View County intends to set aside reserves to fund pit stripping and future pit reclamation expenditures.

Regulations:

1. A rate will be set each budget year that will be charged for each yard of pit material that is used. This amount will be transferred to this reserve.
2. Expenditures for pit stripping and pit reclamation will be funded from this reserve.
3. The reserve cannot exceed the amount of the expected future pit reclamation costs plus the average of the last five years pit stripping costs times 2.
4. This reserve will accrue interest.
5. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

Policy 1008 (O.d) Projects Reserve

Purpose:

Mountain View County intends to set aside funds for specific projects that were planned for a specific budget year but which were not completed but are still planned to be completed.

Regulations:

1. For financial reporting purposes this reserve is treated as a single reserve although for internal purposes may be split into individual components to track funds for specific projects.
2. There is no limit to the amount of the reserve but funds can only be held in the reserve for 36 months.
3. This reserve does not accrue interest.

Background:

This reserve replaces the Divisional Projects Reserve and along with the Pit Stripping and Reclamation Reserve, and the Road Maintenance Reserve replaces the Public Works Special Projects Reserve.

Policy 1008 (O.e) Public Transportation Reserve

Purpose:

This reserve is to continue funding public transportation initiatives if the Public Transportation Grant is removed and to separately allocate any unused grant funds.

Regulations:

1. These funds are to be applied for by community groups by December 31 each year.
2. County Council approves the list of recipients each year.
3. These grants are only for operating expenses or planned excursions.
4. This reserve will accrue interest.
5. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

Background:

This reserve was created from unallocated funds from the Provincial Public Transportation Grant. These funds are earmarked for the continuation of funding public transportation projects if the annual grant is removed. This grant is one of the few unconditional grants the Province still provides and its continuation is not assured.

Policy 1008 (O.f) Family & Community Support Services Reserve

Purpose:

This reserve is used to fund the County's 20% portion of the Family & Community Support Services program.

Regulations:

1. These funds are applied as the 20% county portion of the F.C.S.S. program.
2. Interest is to accrue to this reserve at a rate equal to the average return of the County's non-operating portfolio, compounded annually.
3. The reserve is expected to be fully expended in 2007. In the future the reserve will be used to carry forward any unspent County funds between years.

Background:

This reserve was created from surplus funds from provincial government grants for F.C.S.S. programs when these grants were unconditional. This fund provides the required 20% County portion of the F.C.S.S. program.

Policy 1008 (O.g) Tax Rate Stabilization Reserve

Purpose:

This reserve is used to smooth out fluctuations in the budget due to extraordinary expenses and revenues.

Regulations:

1. These funds may be applied to any project Council feels are non-recurring expenses so as not to impact taxes in that year.
2. This reserve shall be capped at 20% of Municipal Tax Revenue.
3. Interest is to accrue to this reserve at a rate equal to the average return of the County's non-operating portfolio, compounded annually.

Background:

This reserve was initially created to mitigate the effect of the discontinuance of the Municipal Assistance Grant, and was to be drawn down when the grant was removed. Since the removal of that grant, growth in the County has offset the loss of that grant and it has not been necessary to draw this reserve down. The revenue sources of this fund have been budgeted allocation of funds and allocation of short-term revenues such as logging, one time revenues such as annexation and extraordinary GST refunds.

Policy 1008 (O.h) Park Facilities Reserve

Purpose:

This grant is for any capital expenditures or significant repairs at Water Valley and/or Bagnall Parks and Campgrounds or for repairs and improvements to the ball diamond at Westward Ho Park.

Regulations:

1. In the past park operators for the Water Valley and Bagnell Parks submitted a portion of the camping fees to the County at the end of each year. These funds were set aside in this reserve.
2. These funds may be applied to any expenses at Water Valley and/or Bagnall Parks, at Council's discretion.
3. Revenues from the ball diamonds at Westward Ho are set aside in this reserve and these funds may be applied to any expenses for the ball diamonds: for example new shale, players benches, etc.
4. This reserve does not accrue interest.

Background:

This reserve was created from funds received from the park operator at the rate of \$1/camping spot per night at the Water Valley and Bagnell Parks and the revenue generated from the use the ball diamond at Westward Ho.

Policy 1008 (O.i) General Fire Reserve

Purpose:

This reserve is used to fund the County's portion of the capital purchases of the various fire authorities within the County.

Regulations:

1. These funds may be applied to a capital purchase by a fire authority with which the County has membership.
2. The annual funding is the difference between the total fire requisitions from all the fire departments and the total County funding for fire based on a twenty year replacement of all major pieces of fire equipment within the County.
3. This reserve will accrue interest.
4. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

Background:

This reserve was created with dollars held by the regional rural fire authorities. Its purpose is to smooth out fluctuations in the budget due to capital purchase requests from the various fire authorities. Each year an amount, based on a twenty year replacement schedule, is added to this reserve. The County's portion of capital purchases is removed from this reserve.

Policy 1008 (O.) Didsbury Fire Reserve

Purpose:

This reserve is used to fund the County's portion of the capital purchases made by the Didsbury & District Fire Authority.

Regulations:

1. These funds may be applied to any capital purchase for the Didsbury Fire Authority
2. This reserve will be discontinued and purchases will be funded by the General Fire Reserve when these funds are expended.
3. This reserve will accrue interest.
4. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

Background:

This reserve was created in 1999 from funds received from the Didsbury Rural Fire Authority at the time of the formation of the Didsbury & District Fire Authority. These funds are earmarked for the County's portion of major capital purchases by the authority.

Policy 1008 (O.k) Rural Community Grant

Purpose:

These funds are used to provide the Rural Community Grant. See Policy Manual Policy D.4.(c)

Regulations:

1. These funds may be applied to any rural recreation facility or group as per regulations set out in the Rural Community Grants Policy – D. 4.(c) of the Mountain View County Policy Manual.
2. This reserve will accrue interest.
3. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

Background:

This reserve was funded from budgeted transfers from the annual operating budget, originally a portion of the .2 mills set aside for recreation. These funds are earmarked for rural community groups who provide and maintain recreation facilities.

Policy 1008 (O.I) Road Network Reserve

Purpose:

As the population of Mountain View County grows and the demands change the County wants to maintain a program of continually improving the road infrastructure. Some of these projects may be significant and/or may only happen periodically. This reserve is to accumulate or hold funds for these expenditures. Types of projects may include but are not limited to: paving/re-paving, bridge projects, road base development, initial chipping, hill cuts etc.

Regulations:

1. For financial reporting purposes this reserve is treated as a single reserve although for internal purposes may be split into individual components to track year to year variances in the various project categories.
2. This reserve should be comprised of amounts that are identified with specific initiatives.
3. There is no limit to the amount of the reserve that is associated with specific initiatives.
4. This reserve will accrue interest.
5. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

Policy 1008 (O.m) Agriculture Reserve

Purpose:

This reserve is to fund one time Agricultural related projects. Agricultural related projects will not be defined as part of the policy but will be left up to the discretion of Council.

There is no specific funding of this reserve but Council may direct funds to this reserve at their discretion.

Regulations:

1. All expenditures from this reserve would be recommended by the Agriculture Service Board and approved by Council either through the normal budget process or by specific request.
2. This reserve should not exceed 20% of the Agriculture Services Board's total budgeted operating expenditures.
3. This reserve does not accrue interest.

Background:

This reserve was initially funded from extra Provincial grant funding that was received after the overall budget was set. All requirements for the grant funding have already been met. Council has the discretion to use these funds as they see fit.

Policy 1008 (C.a) Heavy Equipment Reserve

Purpose:

These funds are for replacement of heavy equipment as approved by County Council.

Regulations:

1. Based on a seven year replacement schedule which is reviewed annually.
2. Council approves any purchases of heavy equipment in the annual budget or by separate motion.
3. This reserve will accrue interest.
4. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

Background:

This reserve is created to evenly fund the purchase of heavy equipment. The County has a seven year heavy equipment replacement schedule, and funds that schedule on an even basis, regardless of the timing of the equipment purchase. This reserve is the result of accumulated funding being at a higher rate than the accumulated replacement of equipment. It is planned to balance to zero at the end of the seven year period.

Policy 1008 (C.b) Facility Reserve

Purpose:

These funds are for replacement of Mountain View County facilities which include shops, the administration building and any land needed for County operations as approved by County Council.

Regulations:

1. Rental Revenue from County shops should be placed in this reserve.
2. Council approves any expenditures from this fund as part of the annual capital budget or by separate motion.
3. Proceeds from the sale of County land may be added to this reserve.
4. Purchases of land for County operations are funded from this reserve.
5. These funds are primarily for upgrades to facilities or new facilities but they also could be used for major maintenance items, at Council's discretion.
6. This reserve will accrue interest.
7. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

Policy 1008 (C.c) Office Equipment Reserve

Purpose:

This reserve is to fund any administration equipment purchases that are in excess of the annual amount budgeted or to fund large equipment items that are only purchased periodically.

Regulations:

1. Any unexpended administration equipment or computer equipment budgets should be added to this reserve.
2. Any unexpected administration equipment or computer equipment purchases should be funded from this reserve.
3. A set amount should be budgeted each year for large equipment purchases. This amount would be added to the reserve to be drawn from the reserve when the purchase is made.
4. In instances where an item has been prematurely budgeted, its funding can be carried into future years with this reserve.

Background:

This reserve was created from unexpended funds from the administration equipment budget. Each year the budget for administration equipment has an amount which is not specifically allocated but is for unforeseen replacement of equipment. In years where this is not fully expended, the balance is added to this reserve and, if replacements exceed what is anticipated, the extra funds are removed from this reserve.

Policy 1008 (C.d) Sundre Airport Reserve

Purpose:

This reserve is to fund the County's share of facility upgrades and large maintenance projects at the Sundre airport.

Regulations:

1. It is expected that airport operations are funded from revenues generated by the airport.
2. Facility upgrades and large maintenance projects are expected to be funded from grants or sale of County lands adjacent to the airport.
3. A facilities plan should be developed and a funding schedule established.
4. This reserve will accrue interest.
5. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

Policy 1008 (C.e) Olds/Didsbury Airport Reserve

Purpose:

This reserve is to fund the County's share of facility upgrades and large maintenance projects at the Olds/Didsbury airport.

Regulations:

1. It is expected that airport operations are funded from revenues generated by the airport.
2. Facility upgrades and large maintenance projects are expected to be funded from grants or sale of County lands adjacent to the airport.
3. A facilities plan should be developed and a funding schedule established.
4. This reserve will accrue interest.
5. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.

Policy 1008 (C.f) Water and Sewer Infrastructure Reserve

Purpose:

This reserve is to fund the County's share of facility upgrades and large maintenance projects related to Water and Sewer Infrastructure.

Regulations:

1. Facility upgrades and maintenance projects are expected to be funded from grants, development fees, and user charges.
2. As the County develops these facilities a maintenance and replacement plan should be developed and a funding schedule established.
3. This reserve will accrue interest.
4. Interest income from County investment funds for the year will be prorated over the average balance of all reserves that accrue interest. The average balance will be determined by taking the beginning reserve balance plus the ending reserve balance and then divided by 2.