

**THE CORPORATION OF THE MUNICIPALITY OF POWASSAN**

**BY-LAW NO. 2003-31**

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Being a By-Law to establish a Reserve Fund\Water and Sewer

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WHEREAS section 417 of the Ontario Municipal Act, 2001 authorizes a municipality each year to provide in its budget for the establishment or maintenance of a reserve fund for any purpose for which it has authority to spend money; and

WHEREAS the use of reserve funds is one way of maintaining a municipalities sound financial position.

NOW THEREFORE the Council of the Municipality of Powassan enacts as follows:

1. That a Reserve Fund\Water and Sewer be established and maintained, the purpose of which is to consolidate into one Reserve Fund the monies needed to finance future capital water and sewer projects.
2. That the money raised for the said Reserve Fund shall not be used for any purpose other than that for which the fund was established.
3. That the approval of the Council of the Municipality of Powassan to a provision in the estimates of this Reserve Fund shall be obtained each year in which an amount is provided.
4. That the monies so provided in the estimates in each year shall be deposited in a special bank account designated "Reserve Fund\Water and Sewer" on or before December 31 in that year, and all interest derived from shall form part of the Reserve Fund.
5. That the Treasurer shall have the funds transferred by no later than December 31<sup>st</sup>, 2003, from the revenue fund account of the Municipality of Powassan to the new Reserve Fund\Water and Sewer in the amount of \$402,496.
6. That this by-law shall take effect on the date of its passing.

READ A FIRST time, and considered read a SECOND and THIRD time and passed as such in open Council this 19<sup>th</sup> day of August 2003.

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Mayor

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Clerk