

THE RURAL MUNICIPALITY OF REYNOLDS

BY – LAW NO. 4/06

Being a By-Law to establish a reserve fund for the holding of Federal Gas Tax Funds to pay eligible costs of eligible projects

WHEREAS Section 168(1) of the Municipal Act provides as follows:

“A Council may by-law establish reserve funds for any general or specific purpose”;

AND WHEREAS, the Municipality, by its resolution No. –06, entered into a “Gas Tax Funding Agreement” with Her Majesty the Queen (Manitoba) to allow for the receipt of funds from Canada as agreed to under the New Deal Gas Tax Agreement;


AND WHEREAS, conditions of the said agreement state, among other conditions, that the municipality agrees to maintain a separate account of Funds provided pursuant to this Agreement within a specific purpose reserve dedicated for the Funds;

NOW THEREFORE, the Council of the Rural Municipality of Reynolds, in Council assembled, hereby enacts as follows:

1. THAT a Gas Tax Reserve Fund be created for the purpose of holding Federal Gas Tax Funds.
2. THAT the Municipality shall keep both in it’s books and in the bank a separate account designating the purpose for which the fund was created, and showing at all times the state of the said reserve fund; and if the reserve fund or any portion thereof be invested, the securities thereof shall be earmarked and kept separate from other securities of the Corporation/
3. THAT the Municipality commits to ensuring that receipt and use of the Funds will result in net incremental capital spending on Municipal Infrastructure and will ensure that over the period of January 1, 2005 to December 31, 2009, the Municipality’s capital spending will not fall below its Base Amount.
4. THAT the Municipality may use the Funds to pay up to 100% of Eligible Costs of an Eligible Project, with the exception of an Eligible Project for which the Municipality is receiving money under an Infrastructure Program.
5. THAT the Municipality agrees that it will use the Funds only to pay the Eligible Costs of Eligible Projects within five years of receiving payment from Manitoba on behalf of Canada.
6. THAT the Municipality agrees to all other conditions imposed under the duly signed Agreement related to Gas Tax Fund.

DONE AND PASSED by the Rural Municipality of Reynolds, in open council, duly assembled, in the Council Chambers, at Hadashville, Manitoba this 30th day of March, 2006.


Eugene Emery, Reeve


Jeanne Kozak
Chief Administrative Officer

READ A FIRST TIME:	March 14, 2006	Resolution #120/06
READ A SECOND TIME:	March 14, 2006	Resolution #121/06
READ A THIRD TIME:	March 30, 2006	Resolution #149/06