

RURAL MUNICIPALITY OF CORNWALLIS
BY-LAW NO. 1727/02/2024

**Being a By-Law to Create a
Water Tanker Replacement Reserve Fund.**

WHEREAS Subsection 168(1) of *The Municipal Act* S.M. 1996, c.58 provides that a council may by by-law establish reserve funds for any general or specific purpose;

AND WHEREAS the Rural Municipality of Cornwallis, the Municipality of Elton and the City of Brandon are parties to an agreement ("the agreement") to jointly share the capital cost of a water tanker and related equipment to be used by the City of Brandon in fighting fires in the Municipalities;

AND WHEREAS Council of the Rural Municipality of Cornwallis has deemed it to be in the best interests of the Rural Municipality of Cornwallis to create a reserve fund for the capital purchase of a water tanker as required by the agreement;


AND WHEREAS on the anticipated purchase date of 2036, the cost is estimated to be \$260,000, cost shared on a 50/50 basis with the Rural Municipality of Elton;

NOW THEREFORE BE IT RESOLVED that Council of the Rural Municipality of Cornwallis enacts as follows:

- 1) **THAT** Council of the Rural Municipality of Cornwallis hereby creates a Water Tanker Replacement Reserve Fund.
- 2) **THAT** a one-time 2024 contribution of \$85,800.00 by the Rural Municipality of Cornwallis shall be deposited into the "Water Tanker Replacement Reserve Fund".
- 3) **THAT** funds paid into the reserve fund shall be used only for water tanker replacement and shall be expended in conjunction with the agreement in accordance with the requirements of Section 168(2) of *The Municipal Act*.
- 4) **THAT** the Rural Municipality of Cornwallis shall keep, in its books, a separate account designating the purpose for which the fund was created and showing at all times the accumulated balance of the reserve fund created hereby.
- 5) **THAT** if the reserve fund or any portion thereof is invested, the securities therefore shall be earmarked and kept separate from other securities of the municipality.
- 6) **THAT** the proceeds of the reserve fund may be invested or reinvested under the provisions of Section 181 of the Municipal Act.
- 7) **THAT** interest is anticipated to accumulate at an estimated annual rate of 3% (3 percent), resulting in an anticipated accumulated balance of \$126,000 in the year 2036.
- 8) **THAT** Council shall, from time to time, augment the reserve with additional contributions should it be deemed that the fund balance is not sufficient to meet the financial obligation of the agreement.
- 9) **THAT** in the event that the agreement is altered in any way, or extended, this by-law must be amended as required to comply with the changes.
- 10) **THAT** should funds no longer be required by mutual agreement with the Rural Municipality of Elton and the City of Brandon to fund the capital purchases of a tanker, the accumulated balance may be otherwise expended in accordance with the *The Municipal Act* S.M. 1996, c.58.
- 11) **THAT** by-law 1470/06/94 be repealed.

DONE AND PASSED by the Council of the Rural Municipality of Cornwallis in session assembled on this 17th day of September 2024.

RURAL MUNICIPALITY OF CORNWALLIS



Reeve Sam Hofer



Chief Administrative Officer Holly Krysko

Given first reading this 12th day of February, 2024	Res #2024/022.
Given second reading this 17th day of September 2024	Res #2024/294.
Given third reading this 17th day of September 2024	Res #2024/295.