

KENORA DISTRICT SERVICES BOARD

FINANCIAL SERVICES DIRECTIVE

DATE: August 19, 2010 **CATEGORY:** Banking Protocol

SUBJECT: Discretionary Special Purpose Reserves **NUMBER:** FSN-I-04

REVISION DATE:

Service Objective:

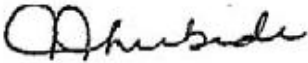
The Board may in each year provide in its estimates for the establishment of discretionary special purpose reserves for any purpose for which it has authority to expend funds.

Service Description:

1. A reserve is an appropriation from net revenue at the discretion of the Board, after the provision of all known expenditures. A reserve cannot have a revenue or expense of itself, like a reserve fund.
2. Contributions and depletions to the discretionary special purpose reserves are authorized as set out in the approved annual budget of the Board.
3. In year depletions to discretionary special purpose reserves not approved in the annual budget are authorized by resolution of the Board of Directors.
4. The following reserves have been established by the Board of Directors:
 - (a) Reserve for Social Housing Property Replacement – contributions shall be established in the estimates of the Board on an annual basis. A proportionate portion of interest earned on the general funds shall be recorded as a contribution to the reserve in the year it is earned.
 - (b) Reserve for WSIB NEER – contributions shall be established in the estimates of the Board on an annual basis. A proportionate portion of interest earned on the general funds shall be recorded as a contribution to the reserve in the year it is earned.

Reference: KDSB Policy No. FNS-I-02: Banking Protocol – Reserves and Reserve Funds

Prepared by: Toni Thurbide, Director of Finance



Program Director

August 19, 2010

Date

Chief Administrative Officer

Date