

Corporate Policies & Procedures			
SECTION: GENERAL ADMINISTRATION			POLICY #: GA-05
POLICY: Year-End Financial Surplus/Deficit Policy - General Revenue Fund			
DATE: March 26/03	REV. DATE:	COVERAGE: Finance Department	PAGE #: 1 of 1

POLICY STATEMENT:

The following Year-end Financial Surplus/Deficit Policy for the General Revenue Fund is developed to ensure that the surplus/deficit carry forward into the following years' General Revenue Fund budget of the Corporation of the County of Renfrew is nil.

DEFINITIONS:

Annual Surplus

Annual surplus is the amount of General Revenue Fund revenues that exceed the General Revenue Fund expenditures of the Corporation at the end of the fiscal year.

Annual Deficit

Annual deficit is the amount of General Revenue Fund expenditures that exceed the General Revenue Fund revenues of the Corporation at the end of the fiscal year.

Working Capital Reserve

Working Capital Reserve is the Corporation's reserve established for general Working Capital purposes.

PROCEDURE:

1. Should an annual surplus exist at the Corporation's fiscal year-end of December 31st, the Treasurer of the Corporation of the County of Renfrew is authorized to allocate the surplus within the General Revenue Fund into the Reserve for Working Capital.
2. Should an annual deficit exist at the Corporation's fiscal year-end of December 31st, the Treasurer of the Corporation of the County of Renfrew is authorized to finance the deficit of the General Revenue Fund from the Reserve for Working Capital.

In the event there are insufficient funds within the Reserve for Working Capital to finance the current deficit, County Council may authorize the Treasurer to draw upon any other Reserve or Reserve Fund established by the Corporation to cover such deficit. Alternatively, the deficit amount not financed from a Reserve or Reserve Fund will be included within the following years General Revenue Fund budget for recovery.