

TOWN OF DANVILLE CAPITAL RESERVE FUND POLICY

PURPOSE. The selectboard of the Town of Danville believes that sound financial management requires that sufficient funds be maintained by the Town for funding capital projects. Maintaining such funds will help sustain the stability of the Town tax rate and reduce the need for short-term borrowing.

OBJECTIVE. Upon recommendation of the selectboard, on March 5, 2024, voters of the Town authorized establishment of a reserve fund in accordance with 24 V.S.A. § 2804. The selectboard's objective is for adequate funds to be set aside in this reserve fund and that these moneys not be spent for regular Town expenditures or used to reduce property taxes.

RESERVE FUND EXPENDITURES. The reserve fund was established by the voters for the purpose of funding capital projects. To this end, the selectboard will only use the reserve fund to pay for capital project expenditures. Any expenditure of the reserve fund by the selectboard for such purposes shall require approval of a majority of selectboard members at a duly warned selectboard meeting. In accordance with 24 V.S.A. § 2804(a), expenditure of the reserve funds for any other purpose shall require the authorization of a majority of the voters present at an annual or special town meeting.

Proposed capital projects will be discussed at duly warned selectboard meetings and when deemed necessary, at community forums. To garner attendance at meetings and forums and disseminate information, the selectboard will engage in community outreach through newsletters, selectboard minutes, the Town website and local social media platforms.

The foregoing Policy is hereby adopted by the selectboard of the Town of Danville, Vermont, this 16th day of May 2024 and is effective as of this date until amended or repealed.

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Janice Ouellette
Janice Ouellette, Chair

Eric Bach, Vice Chair

Peter Griffin
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Alison Low
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