

<p><b>MUNICIPAL DISTRICT OF SPIRIT RIVER NO. 133 POLICY AND PROCEDURES MANUAL</b></p> <p><b>VETERINARY SERVICES INC. FUNDING POLICY</b></p>	<p><b>Function: Policy No. Effective Date: Supercedes: Amends:</b></p>	<p><b>Agriculture Services ASB.22</b></p> <p><b>April 4, 2002</b></p>
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### **Policy Statement**

The Municipal District of Spirit River No. 133 shall support Veterinary Services Incorporated (1980) Ltd. (V.S.I.) to a level that is both agriculturally and financially sustainable.

### **Procedure**

1. The Agricultural Service Board (A.S.B.) will, during budget deliberations, recommend to Council the level of support it feels V.S.I. warrants.
2. The Municipality will forward a cheque to V.S.I. Administrator for the full amount requisitioned for the year.
3. At the end of the year, the Agricultural Fieldman shall calculate the percentage of use that was incurred by each V.S.I. user.
4. The difference between the level of funding approved and the amount requisitioned shall be charged back to V.S.I. users based on their percentage of use.
5. The Municipality may waive the funding difference if the cost of collection will exceed the amount in question.
6. There will be a minimum charge of \$10.00 when billing out for the over-expenditure of the V.S.I. program as based upon the usage of the program.
7. The amount owed the Municipality by the V.S.I. user shall be entered into the Municipality's accounts as an account receivable for the year in which it was incurred.
8. Any V.S.I. user refusing to pay the billed amount will lose his privileges under V.S.I. until the bill is paid in full with interest, if applicable.

Example of the calculation of the amount owed the Municipality by the V.S.I. users

Municipality advances a cheque to V.S.I. Administrator for \$25,000 and at the end of the calendar year; V.S.I. claims for the MD of Spirit River No. 133 are \$30,000

V.S.I. Funding Approved by MD of Spirit River No. 133	\$25,000
V.S.I. Usage for MD of Spirit River No. 133	\$30,000

Over Expenditure between the V.S.I. Usage and V.S.I. Funding = \$5,000

Users may be required to pay \$5,000 back to the Municipality for the V.S.I. Over Expenditure.

User "X" had V.S.I. claims totaling \$3000 for the calendar year.

User "Y" had V.S.I. claims totaling \$300 for the calendar year.

User "X" had 10% of the total V.S.I. claims

User "Y" had 1% of the total V.S.I. claims

Therefore:

User "X" shall pay 10% of \$5000 = \$500 to the Municipality for his portion of the V.S.I. Over Expenditure

User "Y" shall pay 1% of \$5000 = \$50 to the Municipality for his portion of the V.S.I. Over Expenditure

The formula is as follows:

$$\frac{\text{BENEFIT RECEIVED BY MYSELF}}{\text{TOTAL V.S.I. COST FOR THE YEAR}} = \text{PERCENTAGE OF MY USE}$$
$$\text{TOTAL COSTS OVER } \$ \underline{\hspace{2cm}} \text{ AT } \text{DECEMBER 31}^{\text{ST}}, \underline{\hspace{2cm}} \times \text{PERCENTAGE OF MY USE} = \text{TOTAL PAYABLE BY MYSELF FOR THE OVER EXPENDITURE}$$