



## CITY OF ST. ALBERT CITY COUNCIL POLICY

NUMBER	TITLE
<b>C-FS-01</b>	<b>Financial Reserves</b>
ORIGINAL APPROVAL DATE	DATE LAST REVISED
March 17, 2003	November 4, 2019

### **Purpose**

To set aside funds for the establishment of specific reserves to provide for emergent financial needs, stabilize tax rates, to set aside funds for the replacement of existing equipment, facilities and future projects and to minimize the debt financing needs of the Corporation.

### **Policy Statement**

The City of St. Albert recognizes that the ongoing commitment of funds to specific reserves provides for property tax stabilization, contingency funding, and reduces the need for debt financing.

### **Definitions**

### **Responsibilities**

1. The establishment of, contributions to, and withdrawals from, a specific reserve shall be approved by City Council through resolution or bylaw in accordance with the Municipal Government Act or as otherwise stated in the specified schedule.
2. Administration of all reserves will be carried out by the Chief Administrative Officer.

### **Service Standards/ Expectations**

1. Transfers to/from reserves will be restricted as outlined in each specific reserve schedule.
2. Interest earnings are intended to be applied to reserves if there are external requirements based on legislation or agreements, or as approved by Council, and will be added to reserves according to the schedule. The interest will be applied monthly based on the net weighted average of the reserve balance relative to all interest earned by the City's investment portfolio.

3. Where appropriate, each reserve will be supported by a 10-year projection for receipt and disbursement of funds. These projections will be updated annually as part of the budget process.
4. Reserves are assumed to be ongoing unless otherwise stated in the specified schedule.
5. Reserves are assumed to have no ceiling unless otherwise stated in the specified schedule.
6. Reserve reporting will form a part of the quarterly and annual financial statements and significant transactions affecting these will be highlighted in the comments.
7. All Financial Reserves shall be attached to this policy as a Schedule.
8. All Financial Reserves Schedules attached to this policy shall contain the following sections:
  - a. Type of Reserve
  - b. Name of Reserve
  - c. Purpose of Reserve
  - d. Source of Funding
  - e. Application
  - f. Indication of whether it is interest bearing or not
  - g. Any additional information deemed relevant by the Chief Administrative Officer
9. This policy along with the approved reserve schedules and balances will be reviewed by Administration annually.

## **Legal References**

N/A

## **Cross References**

C-FS-05 Budget and Taxation Guiding Principles  
C-CS-01 Athlete and Artist Development Grant  
C-CS-11 Community Significant Events Stimulus Fund  
C-FS-11 Operating and Capital Carry Forwards and Closed Projects  
C-FS-14 Utility Fiscal Policy

## **Attachments**

### Operating Reserve Schedules

- O1 Stabilization
- O3 Operating Programs
- O4 Risk Management
- O5 Traffic Safety
- O7 Children's Festival Fund
- O8 RCMP Contract Expense Reserve
- O9 Safety Enhancement Program
- O10 Election and Census Reserve

### Capital Reserve Schedules

- C1 Internal Financing
- C2 Major Recreational Lands & Facilities
  - 1. Major Recreational Facilities Fund – City Wide
  - 2. Major Recreational Facilities Fund – Neighbourhood
  - 3. Parkland Fund
  - 4. Dog License Fund
- C3 Offsite levy recovery fund (OLRF)
  - 1.. Offsite levy reimbursed Funds
- C4 Lifecycle
  - 1. Mobile Equipment
  - 2. Emergency Services Equipment
  - 3. Office Systems
  - 4. Arden Theatre
  - 5. Servus Credit Union Place
  - 6. Aquatics Facility
  - 7. Public Art
  - 8. Fire Buildings
  - 9. City Playground
  - 10. Public Transit
  - 11. Infrastructure
- C5 Municipal Land & Facilities Reserve
- C6 Capital Fund

C7 Growth Stabilization

C8 Energy Efficiency

Utility Reserve Schedule

- UC1 Utilities Fund
1. Water
  2. Wastewater
  3. Solid Waste
  4. Storm water

Outside Agency Reserve Schedule

- OA1 Outside Agency Operating
1. Museum Artifacts
  2. Museum Historic Sites
  3. Museum Exhibition
  4. Food Bank/Community Village Building Fund

OA2 Outside Agency Capital

1. Business Incubation Building Fund

DATE REVIEWED	NEXT REVIEW DATE	REVISIONS
October 2018 – Finance and Assessment	2019 – Finance and Assessment	C181-2003 03 17 C400-2004 08 16 C187-2005 05 02 C355-2006 07 04 C211-2007 04 16 C291-2007 05 22 C557-2008 09 22 C571-2008 10 06 C401-2009 06 29 C506-2009 09 08 C561-2010 09 27 C443-2011 07 04 C246-2012 06 25 C231-2013 05 27 C293-2013 06 24 C453-2014 09 22 C428-2015 09 14 C424-2016 06 27 POL-16-010 – 11 07 POL-17-009 – 09 11 AR-18-076 – 02 20 POL-18-007 - 04 23 CB-18-025 – 10 22 AR-19-003 - 01 21 CB-19-018 – 11 04

## Reserve Policy – Schedule OA1

<b>Type:</b>	Operating Reserve
<b>Name:</b>	Outside Agency Operating
<b>Purpose:</b>	To establish a fund for outside agencies to administer their respective operating programs.
<b>Fund:</b>	Outside Agency Program Funds <ol style="list-style-type: none"><li>1. Museum Artifacts</li><li>2. Museum Historic Sites</li><li>3. Museum Exhibition</li><li>4. Food Bank/Community Village Building Fund</li></ol>
<b>Source of Funding:</b>	-Annual transfer or other sources as approved by Council.
<b>Application:</b>	-Used to fund outside agency operating programs as approved by their respective board and Council
<b>Interest Bearing:</b>	No