



CITY POLICY

POLICY NUMBER: C217C

REFERENCE:

City Council 2006 11 28
City Council 2002 10 29
City Council 1997 05 20
City Council 1986 11 25
Municipal Government Act, R.S.A. 2000, C.M-26, as amended

ADOPTED BY:

City Council December 15, 2015

SUPERSEDES:
C217B

PREPARED BY: Financial Services

DATE: 2015 12 15

TITLE: Reserve and Equity Accounts

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Policy Statement:

1. In compliance with this policy and the Municipal Government Act, the establishment of all Reserve and equity accounts and the transfers to and from these accounts require Council approval through the budget.
2. The financial stabilization Reserve must have a minimum balance of 5.0% with a target balance of 8.3% of current general government expenses (excluding non-cash amortization). One hundred percent of any annual general government surplus will be placed in the financial stabilization Reserve. Any balance above the target will be applied evenly to the three subsequent years' operating budgets or applied to significant one-time operating expenses or capital priorities. In the event of a balance below the minimum level, a strategy will be adopted to achieve the minimum level over a period not to exceed three years, including replenishing the Reserve with any unplanned one-time revenues, previously committed one-time contingent funds or appropriated items that are no longer required for their original purpose. Other Reserve and equity account balances will be reassessed and where appropriate, amounts transferred to the financial stabilization Reserve.
3. Reserve and equity account balances will be reviewed on a periodic basis, with recommendations made to City Council.