



AGENDA

**COMMITTEE-OF-THE-WHOLE MEETING OF COUNCIL
CITY HALL COUNCIL CHAMBERS
MONDAY, JUNE 12, 2017
5:00 P.M.**

- (1) CALL TO ORDER**
- (2) PUBLIC INPUT PERIOD**
- (3) ADOPTION OF AGENDA**
- (4) OPERATIONAL DISCUSSIONS & PRESENTATIONS**
 - a) Asset Management Investment Plan (AMIP) and Implementation Strategy Presentation**
- (5) CLOSE OF MEETING**

RESOLVED that the June 12, 2017 Committee-of-the-Whole Meeting be adjourned.

CITY OF ROSSLAND

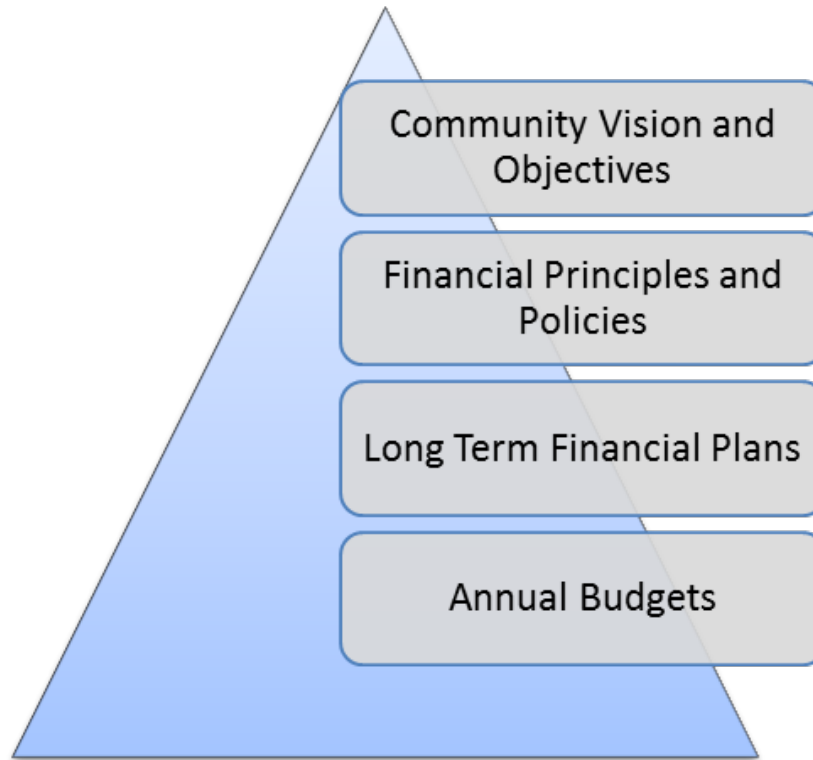
Financial Management Policy

June 12th 2017

Financial Sustainability

Being able to manage likely developments and expected financial shocks in future periods without having to introduce substantial revenue, expenditure or service level adjustments

Financial Framework



Guiding Principles

1. **Resilience** – The City shall operate in a manner that will allow it to successfully adapt to future challenges or events and ensure we remain a sustainable, smart and fun City
2. **Flexible** - Financial decisions shall ensure future flexibility to adapt to opportunities and changing circumstances
3. **Fairness** – The City shall operate in a manner that takes into account the financial effects on future generations as well as on the distributional impact on the current population
4. **Value**- The City shall provide cost-efficient and effective services and ensure that public resources are put to the best possible use
5. **Prioritize**- The City shall look to prioritize investments in accordance with the current and future needs of the community
6. **Transparent**-Financial strategies, plans and processes are accessible and visible

Policy Areas

1. Property Taxes
2. Utility Fees
3. Public Facility User Fees
4. Reserve and Surplus Funds
5. Debt
6. Grants
7. Development Financing
8. Asset Renewal
9. New Capital Investment

Property Taxes

1. The setting of Property Tax rates will be informed by the full cost of delivering City services
2. Property taxes will be kept as stable as possible over time with a future goal of achieving full cost recovery
3. Everyone pays a fair amount for the services that are available to them

Utility Fees

1. The setting of Utility User Fees will be informed by the full cost of delivering City services
2. Utility User Fees will be kept as consistent as possible over time with a future goal of achieving full cost recovery
3. Everyone pays a fair amount for the services they benefit from

Public Facilities User Fees

1. The establishment of User Fees for public facilities shall be informed by the full cost of delivering the service
2. At Councils discretion general taxation may subsidize public facilities and parks
3. The degree of subsidization should consider the facility type, community demographics and the proportion of the population that benefits

Reserve and Surplus Funds

1. Uncommitted annual surplus will not be used to fund operating costs or to offset property tax increases
2. On-going operating expenses will not be funded through reserves
3. Annual contributions to reserves will be budgeted for and the amounts will be informed by the financial plan including the asset management investment plan and the City's reserve policy

Debt

1. Preserve the City's debt capacity by focusing the use of debt to finance core community infrastructure OR major priority projects
2. Where practical, time the acquisition of new debt with the retirement of existing debt
3. Target maximum debt servicing costs at 15% of own source revenues or less
4. Maintain a minimum of 5% debt servicing capacity for emergent opportunities and/or emergency situations

Grants

1. Reduce reliance on uncertain grant funding
2. Focus the pursuit of conditional grants on strategic priority projects for the community as well as those identified in the 5 year financial plan

Development Financing

1. Ensure developers pay their fair share for growth related infrastructure
2. Where advantageous, taxation funded development subsidies may be considered to encourage economic development and community projects

Asset Renewal and Replacement

1. In general the renewal of linear assets will be financed on a pay as you go basis (i.e. reserves or current revenues rather than debt)
2. Balance asset renewal funding and reserve levels with tolerance for risk and service levels
3. Replacement and renewal projects will be prioritized using a consistent and structured decision-making process that considers risk, life cycle cost and level of service

New Capital Investments

1. Capital projects will be prioritized using a consistent and structured decision-making process that is informed by existing City plans
2. Capital investments greater than \$100k will require a documented business case
3. The impact of each proposed capital project on the City's operating budget will be fully accounted for
4. New Capital Projects will only proceed when project funding is fully in place