

	Council Policy	
	Classification Administration & Finance	Policy No. 6.10
	Policy Title Draft Reserves Management and Financial Reporting	
	Approved By: Council	Effective Date: February 20, 2002
	Revisions:	

Purpose

To provide guidelines for the management of revenue additions to and expenditures from the various Municipal Reserves.

Statement

Council acknowledges that part of the operation and maintenance of the municipality sometimes will have unforeseen expenditures. Therefore the County of Stettler is committed to ensuring funds are available in the future to cover unforeseen expenditures

Procedures

In accordance with the recommended reserves management and financial reporting practices adopted by the AAMD&C, the County of Stettler No. 6 undertakes the following general approach to Municipal Financial Reserves management:

1. Segregating Financial Reserves:

County of Stettler Reserve funds will be segregated by their purpose, in accordance with statutory requirements and the direction of Council. The County of Stettler will not utilize Reserves to hold large amounts of uncommitted funds.

2. Amount of Financial Reserves:

The County of Stettler will review or establish a range or appropriate amount of funds to be held in Financial Reserves. Council will establish the transfer of funds to and from reserves by resolution.

3. Regular & Ongoing Review of Reserve Allocations & Balances:

The County of Stettler Council will review and monitor reserve balances on an annual basis. County Council, and the Chief Administrative Officer as their designate, is responsible for:

- a. Authorizing the establishment of and purpose for new Reserves;
- b. The closure of Reserves that are no longer required;
- c. The transfers of funds to and from Reserves via the Annual Budget Review Process;
- d. Setting long term plans to allocate funds to and draw funds from Reserves in conjunction with approving longer term Operating and Capital Plans;
- e. Setting long term plans that place a higher priority on financing Programs and Projects from funds held in Reserves and give lower priority to generating funds from Debenture Borrowings;
- f. Reviewing Financial Reports that include Reserve balances, which are to be prepared and presented on a regular basis;
- g. Any individual reallocations of funds held in Reserves that are not included in Annual Operating or Capital Budgets;
- h. Any allocations of unspent funds from one fiscal period to the next period via a Carry Over Reserve.

4. Review Of Uncommitted Reserve & Accumulated Surplus Balances:

The County of Stettler Council will review, on an annual basis, any funds in Reserves that are not specifically committed for any particular purpose to determine whether they should be specifically designated.

5. Assurance of Reserve Liquidity:

The County of Stettler Council will review the liquidity of its Reserve balances annually at year-end to ensure the County has the necessary available dollars in Reserve to be drawn upon for priorities in the coming year.

Policy Authorization

Reeve Signature	Effective Date	Resolution Number
<i>Transcription</i>	February 20, 2002	119.02.20.02