

Principles & Strategies for Financial Strength & Stability

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PRINCIPLES



PRAGMATIC. Financial decisions take measured risks while ensuring appropriate service levels are protected



FLEXIBLE. Financial policies allow for opportunities and changing circumstances



SUFFICIENT. Revenues and expenses support the City's service levels and long-term goals



TRANSPARENT. Financial strategies, plans and processes are accessible and visible



BALANCED. Service levels are affordable and appropriate

STRATEGIES

User Fees & Charges

Everyone will pay a fair amount for the services they receive

Services will be reasonably accessible by all citizens

User fees will be transparent and easy to understand

Reserves & Surplus Funds

The purpose of each reserve will be documented and reviewed regularly

Ongoing operating requests will not be funded from reserves

Accumulated surplus will only be used as an emergency funding source

Assets - Renew

The City will invest in existing infrastructure renewal in accordance with the long-term capital plan

Funding for asset renewal will be balanced against service levels and risk tolerance

Life cycle costs should be managed through preventative maintenance and renewal strategies

Assets - New

Expenditures for new assets will be prioritized based on social, economic and environmental factors and life cycle cost implications

Emergent opportunities will be evaluated against existing priorities

Investment in new assets should follow the long-term capital plan

The decision-making process for new asset investment will be documented, transparent and clearly communicated to Council, staff and the community

Development Financing

Developers will pay their fair share for growth-related infrastructure through DCCs and other tools

Where appropriate, other funding can be used to provide additional capacity over and above the current OCP horizon

Taxation-funded DCC's through grant programs may be used to encourage economic development and community projects

STRATEGIES

Partnership & Enterprise

The City will pragmatically partner with other entities to deliver community services and amenities

The City will explore access to new sources of capital and revenue streams

The City will leverage the expertise of outside partners

The City will leverage existing assets to attract private sector involvement

Services from partnerships will be reviewed regularly to ensure the needs of the City continue to be met

The City supports organizations within the community that enhance the quality of life

Debt

General Fund debt servicing costs will be maintained at or below a targeted level of annual taxation demand

The City's debt capacity will be preserved by limiting the use of debt to fund only one-time major capital projects

If possible & when beneficial, debt will be paid down earlier

Financing for less than a five-year term will be completed through internal financing

Impacts on overall City debt levels from "self-funded" cost centres and Funds will be reviewed and understood

Operations

All services, including new services, must be aligned with the City's priorities and reviewed regularly

The full financial cost of service and staff requirements will be understood by Council and administration

Future changes in operating costs, including personnel resourcing requirements, will be considered in long-term capital and financial planning

Ongoing operating activities will only be funded through taxes, fees and charges

Property Taxation

Property taxes will remain as stable as possible over time

Property taxes will be comparative with similar communities

Increases to property taxes will be balanced among assessment classes

Property tax information will be transparent and easy to understand

Property taxes will reflect the infrastructure, services and service levels that the community believes are important

Grants

Grants will only be pursued for the City's priority projects

Grant funding will not increase the scope of a project without Council endorsement

Annual project funding must be sufficient without conditional grants

Long-term financial planning will rely on unconditional grant opportunities only